

autumn, have always been in excess of such balances. Mr. Hunt accurately stated that the provisions of the Act would be satisfied if a proper account were kept and the money invested in good securities until required for the construction of sections of the railway, and Mr. Baring added an opinion that the *Finance Minister of Canada* had acted very judiciously in the way he had employed the money; but the fact is that more than the money-balance of the Loan is immediately available. Whatever our point of view, directly this fact is ascertained it becomes unnecessary, and, indeed, improper, to inquire into the character of the securities upon which the remaining assets of the Dominion are invested.

The point raised by Mr. Aytoun is, however, principally important as enforcing upon our attention the real status of Canada. The Government of the Dominion is under a moral obligation to its own citizens as much to the British Parliament, if not more, to apply the Loan in payment for the construction of the railway, but it is a matter of financial discretion how the funds at the command of the Canadian Treasury shall be invested from time to time, and in criticizing their discretion from home we are, in fact, criticizing what is a part of ordinary action of the Colonial Government. We do not say that a case may not arise to justify this, but we must remark that the conditions must be very clear to sustain such criticism. The Confederation Act and the Intercolonial Railway Loan Act make the Dominion and the United Kingdom something more like co-ordinate Powers under one personal head than a mother country and a dependency. The Railway Act most clearly recognizes this truth, for it enacts that if the Parliament of the Dominion shall provide for the appropriation of the Loan, we shall give our guarantee, and leave it to the representatives of the Dominion in Parliament to control the responsible Ministers of the Governor-General.

BANK OF TORONTO.

PROCEEDINGS OF THE THIRTEENTH ANNUAL GENERAL MEETING OF THE STOCKHOLDERS HELD AT THE BANKING HOUSE OF THE INSTITUTION, IN TORONTO, ON WEDNESDAY, 21ST JULY, 1869.

The Annual General Meeting of the Bank of Toronto (being the thirteenth since the commencement of business), was held, in pursuance of the terms of the charter, at the Banking House of the Institution, on 21st July, 1869.

William Gooderham, Esq., President, being called to the chair, the Cashier then, at his request, read the following

REPORT:

The Directors of the Bank of Toronto have pleasure in rendering to the Stockholders a statement of the operations of the Bank for the year just closed.

In following the example of the Joint Stock Banks of England, by placing the statement in the hands of Stockholders before the Annual Meeting, they desire to afford them such information as will enable them to form an opinion upon the position of the institution before they are called upon to take any action thereupon. This course, they trust, will commend itself to the judgment of the Stockholders.

The business of the Bank during the year has been well maintained in every department, both at the Head Office and Branches, and although circumstances have rendered it desirable to keep larger reserves of available funds than formerly, and consequently to curtail discounts to some extent, the net result compares very satisfactorily with those of former years.

Owing to continued over-importations in the commercial centre of the Province, with its inevitable consequences of unreasonable competition in the wholesale trade, along with the temptation incident to the working of a defective Involunt Law, the number of fail-

ures for some time back has been far larger than usual. Your Board knowing the condition of affairs, have exercised more than ordinary vigilance and caution in this branch of business, and they are happy to state that the loss suffered by the Bank will be of a very trifling character.

The gradual and continuous fall in the price of grain during the last few months has occasioned less of loss to parties in the trade than might have been feared under the circumstances. Farmers have held back their grain in many parts of the country, and the depression, to some extent, has fallen upon them. The customers of the Bank have fully appreciated the advice given them to operate with extreme caution, and the consequence is that the casualties of the year in this important branch of business have been very few and of small amount.

All losses were provided for before the closing of the books. Every bad debt was written off in full, and provision made for such as are doubtful; and to enable this necessary part of their duty to be discharged, the Directors subjected the Bank to a rigid scrutiny and by personal conference with the Managers of Branches, satisfied themselves as to the operations of the Bank at distant points.

After making provisions for losses as above stated, the net profits of the Bank, deducting expenses, interest on current and permanent deposits, and rebate of interest on notes discounted, amounted to \$140,423 66. Add balance at credit of Profit and Loss account, brought forward from last year 5,003 91

\$145,427 57

This sum was appropriated as follows:—
Government Tax on circulation 2,580 15
Dividend No. 25 of four per cent, paid 2nd January last 32,000 00
Dividend No. 26 of four per cent., payable 2nd July, instant.... 32,000 00
Added to "Rest"..... 75,000 00
Balance carried forward to next year..... 3,847 42

\$145,427 57

The accounts, securities, and cash of the Bank, both at the Head Office and Branches, have been frequently examined by the Inspector, and found correct.

In the Report for last year the expectation is held out that the securities and collaterals held to cover the contingencies of certain accounts would realize sufficient, with appropriations, to guard the Bank against loss. The Directors are happy to state that this expectation has been more than realized. Profit and loss account has been accredited during the year with various sums received on account of debts which had been written off or provided for.

In pursuance of the policy indicated in the same report, the amount of Government securities held by the Bank has been increased by the sum of \$10,000 sterling, making the total amount of such securities \$147,156.

In view of the approaching termination of the charter of the Bank, your Board petitioned Parliament during its late session for a renewal of the same with amendments. An act was passed, which has relieved the Royal assent, empowering the capital stock to be increased during the next three years to any sum not less than one million, nor more than two millions of dollars, and also changing the time of holding the annual meeting from July to June. This last will take effect for the first time next year, but no action can be taken respecting an increase in the capital without the concurrence of the stockholders. By a general act the charters of several banks, and this amongst the number, were renewed until the 30th June, 1870, and the close of next session of the following Parliament.

Your Board, along with a majority of the Banks of the Dominion have petitioned against any fundamental change in the Cur-

rency system of Canada, and they trust that the unanswerable reasons urged this course will have due weight with the Legislature. Your Directors conceive that the maintenance, under all circumstances, is a matter of fundamental importance, and as the proposed change has a tendency, in their judgment to undermine that basis, and entails other serious disadvantages, they trust that legislation may be in the direction of amending and perfecting what already exists, rather than in that of radical and undesirable change.

The Directors, in conclusion, have much pleasure in bearing testimony to the very satisfactory manner in which their respective duties have been discharged by the Cashier, Assistant Cashier, Managers, and other Officers of the Bank.

The whole respectfully submitted,

(Signed,)

WM. GOODERHAM, President.

Toronto, July 12th, 1869.

BANK OF TORONTO.

General Statement of Liabilities and Assets as on 30th June, 1869.

LIABILITIES.

To Notes in circulation.....	\$724,960 00
" Balances due to other Banks.....	38,500 35
" Deposits.....	1,769,305 29
Total Liabilities to the public.....	2,532,665 64
" Capital paid up.....	800,000 00
" Rest.....	300,000 00
" Contingent Fund.....	40,000 00
" Reserve for rebate of Interest on Current Notes discounted.....	21,822 41
" Reserve for accrued Interest on Deposit Receipts.....	15,731 19
" Dividends unclaimed.....	264 00
" Dividend No. 20, payable 2nd July.....	32,000 00
" Balance of Profit and Loss carried forward to next year..	3,847 42
	\$3,746,330 66

ASSETS.

By Specie and Provincial Notes.....	\$525,264 72
" Notes and Cheques of other Banks.....	79,863 20
" Balance due from other Banks.....	189,900 40
" Total Assets immediately available.....	795,028 32
" Government Securities.....	147,155 82
" Notes discounted—current.....	2,655,017 80
" Notes discounted—overdue.....	64,341 69
" Other debts not here included.....	41,918 22
" Bank premises in Toronto.....	23,000 00
" Furniture.....	4,989 81
" Bill Stamps on hand.....	1,618 00
" Real Estate owned by the Bank.....	261 00
	\$3,746,330 66

Profit and Loss Account—30th June, 1869.

To Government Tax on Circulation.....	\$2,580 15
" Dividend No. 25, of 4 per cent., paid 2nd January, 1869.....	32,000 00
" Dividend No. 26, of 4 per cent., payable 2nd July, 1869.....	32,000 00
" Amount added to rest.....	75,000 00
" Balance carried forward to next year.....	3,847 42
	\$145,427 57
By balance brought from last year.....	\$5,003 91
" net profit for year ending 30th June, 1869, after payment of expenses, writing off bad and providing for doubtful debts, Interest on Current Accounts and Deposit Receipts, and rebate of interest on bills discounted.....	140,423 66
	\$145,427 57

(Signed,)

G. HAQUE, Cashier.