

THE MOLSONS BANK.

FIFTY-EIGHTH ANNUAL MEETING.

A large number of shareholders attended the 58th annual general shareholders' meeting of the Molsons Bank in the new board room of their banking house, 200 St. James street, on Tuesday afternoon, October 21st, at 8 o'clock. The President, Mr. William Molson Macpherson took the chair, and there were also present Messrs. S. H. Ewing, F. W. Molson, David McNicoll, Wm. M. Birks, W. A. Black, directors; and S. W. Ewing, J. McK. Rea, James Elliot, A. Browning, A. G. Watson, John W. Loud, James Skeoch, Alfred McDiarmid, G. A. Grier, John Johnson, Charles E. Spragge, W. R. Miller, Alfred Piddington, A. N. Webster, W. H. Evans, F. F. Archbald, Allen Brown, G. Durnford, Alex. D. Fraser, John Auld, and J. Paterson, shareholders.

In opening the proceedings the President called upon Mr. E. C. Pratt to act as Secretary and Mr. Pratt then read the notice calling the meeting and announcing the dividend.

The President then called upon Mr. James Elliot, General Manager, to read the annual report of the Directors, which follows:

ANNUAL REPORT.

Gentlemen,—Your Directors beg to submit to the shareholders this, the 58th Annual Report of The Molsons Bank and statement of its position on 30th September, 1913.

The year's net profits, after making provision for bad and doubtful debts and operating expenses, amount to \$694,356.92. From this has been paid \$440,000, in quarterly dividends, 11 per cent. for the year; \$47,269.45 written off bank premises; \$24,983.80 business taxes; \$10,000 to Officers' Pension Fund; \$52,000 additional reserve for rebate on discounts current, and \$100,000 reserve for depreciation in market value of bonds and securities held, leaving \$20,103.67 to be added to balance at credit of profit and loss from last year, raising it to \$181,932.09. From this \$100,000 has been transferred to reserve account, making it \$4,800,000.

You will notice in this year's statement several changes in form. These are called for by the new Bank Act.

During the year branches have been opened at Cowansville in Quebec, and Berlin and Delhi, in Ontario. Our branch at Petrolia, Ontario, and sub-agency at Diamond City, Alta., have been closed.

Since last meeting we have lost the services as director of Mr. C. B. Gordon, who resigned, much to our regret, and Mr. W. M. Ramsay, who served on your board for twenty-four years, was called from us by death. These vacancies have been filled by the appointment of Mr. W. M. Birks, of Messrs. Henry Birks & Sons, and Mr. W. A. Black, of The Ogilvie Milling Company.

Mr. E. C. Pratt, formerly manager of the St. James street branch, who resigned in 1909, after twenty-eight years' service, has rejoined, and in February last was appointed assistant general manager.

For the convenience of our Ontario shareholders and to further the wish of the Finance Department for the extension of the registries we have opened a registry for our shares at our Toronto branch.

You are required at this meeting to appoint Auditors for the Bank as directed by the recent amendment to the Bank Act, Section 56, and to fix their remuneration.

A new set of By-laws will be submitted to you for approval and adoption if thought advisable. Among them is one changing the date of our Annual Meeting to the first Monday in November. This change is necessitated in order that the Auditors may have sufficient time in which to complete their work, which they would not have if the old date were retained.

The Head Office and all branches have been carefully inspected during the year, and the present staff have efficiently and zealously performed their duties.

PRESIDENT'S ADDRESS.

The President made the following statement:—

Your Directors are pleased to submit to you the Annual Statement which, considering the financial condition of the money markets of the world during the past year, will, I am sure, prove satisfactory to you.

The war in Southern Europe and the unsettled financial condition of affairs, the heavy expenditure of money, and a nervous boarding of gold in several countries, caused a general stringency. Canada suffered from the effects of these conditions, as we require financial assistance from outside to build up our rapidly developing country.

Owing to the satisfactory condition of trade through Canada, and the excellent harvest which has been bountifully given to us, I may say that the Bank's year has resulted in a gratifying way, and with judicious management for the future we are likely to see a continuance of prosperity. At the same time I would still urge caution in all business transactions.

Our Public Works require a continuance of expenditure. Our Railways are expanding and opening new territory for cultivation, and so facilitate transportation through a country rapidly becoming peopled largely by new settlers; this year's increase in population has amounted to about 500,000. Such an increase provides abundant work for our Railways and Manufacturers, but taxes them to their fullest capacity. The Municipalities of the West are compelled to provide suitable requirements in the rapidly growing towns. Money spent for such necessities should prove a satisfactory investment, where caution is exercised in its expenditure.

The Grand Trunk Pacific, the National Transcontinental and Canadian Northern Railways, are opening new agricultural lands, in addition to those reached by the many extensions of the Canadian Pacific Railway.

The Inland Steamship Companies are increasing their tonnage to enable the grain of the West to reach the Canadian ports for shipment, and the Government and Harbor Boards are increasing the facilities at the different shipping ports to handle and more adequately provide for the large quantities of grain which come forward during the season. We have not yet reached a point where Canadian ports are able to take care of all our western crop, but every attention is now being given to eventually attain that object.

The crop this year has proved to be the largest in quantity and the finest in quality that we have ever harvested. The financial return to the country will consequently be very large.

The total deposits of Canadian banks have decreased during the year, ours by about \$2,000,000.

On 30th August, 1913, paid-up capital of Canadian banks was \$116,818,251
On 31st August, 1912, the total was 114,098,525

An increase of \$2,719,726
and the loans stood at:
On 30th August, 1913 \$968,980,904
On 31st August, 1912 929,065,879

An increase of \$39,915,025
The total circulation of bank notes on 31st August, 1913, shows an increase of \$4,305,644 over the same date last year. The highest point the total circulation reached in 1912 was \$115,473,098, in November.

The number of Bank Branches in Canada when I last addressed you at our Annual Meeting was 2,739. The total now reaches 3,027, being an increase of 288 in the year.

The Banking Act of Canada has served the growing business of the country with most satisfactory results. The new act passed at the last session of Parliament embodied a system of "Audit" which should give greater confidence to the public, and which we hope