

The depression existing in the commercial affairs of the country, referred to in our last annual report, we regret to say, has not diminished during the past year, but has in fact been intensified, the record of failures showing a larger aggregate amount of liabilities than ever before known in the history of this country. Your directors feel that it will afford satisfaction to our stockholders to know that the bank has not been directly interested in any of the large failures that have occurred during the year. But whilst we have been fortunate in having escaped serious loss in any one instance, yet it was impossible but that the business of the bank should be in some degree affected by the existing state of things. Your directors have felt it their duty to have special regard for the safety of the business to be done although the effect might be to limit the volume of business and to cause a low rate of profit to be realized.

Under these circumstances, and in view of the uncertainty which still attaches to the future, your Directors have deemed it in the interest of the shareholders to limit the dividend to six per cent., and to retain the surplus with the view that it may be used to provide for losses, which upon the final closing of doubtful debts may prove to have been incurred.

A careful and thorough inspection of the business of all the branches has been made, and measures taken by which the expense of management will be reduced to the lowest limit compatible with the proper working of the institution.

For some time past the Hon. Mr. Simpson had felt that the inconvenience resulting from his residence being at such a distance from the head office of the Bank, and his failing health, made it undesirable for him to hold the position of President of the Bank. Acting upon this view, on the 25th November last, he submitted his resignation, and upon his own urgent request it was accepted by the Board, and the Hon. W. P. Howland was elected to fill the vacancy for the balance of the year.

The General Manager and officers of the Bank have been required to exercise especial vigilance and care, and it affords your Directors satisfaction bear testimony to their faithfulness and efficiency in the performance of their several duties.

All of which is respectfully submitted.

W. P. HOWLAND,
President.

Ontario Bank, Toronto, 17th June, 1879.

GENERAL STATEMENT AS ON 31ST MAY, 1879.

Liabilities.

Capital stock paid up	\$2,996,756 00	
Reserve	100 000 00	
Profit and loss	72 507 84	
Interest reserved	24,217 09	
Dividend unclaimed	3,413 86	
Dividend No. 44 payable 2nd June	89,902 68	
		\$3,286,797 47
Notes of the Bank in circulation ..	583,299 00	
Deposits not bearing interest	1,458,508 38	
Deposit bearing interest	986,394 81	
Balances due to other banks	157,770 30	
		\$3,185,972 49
		\$6,472,769 96

Assets.

Specie	\$ 128 841 72
Dominion Notes ..	323,326 00

Notes and Cheques of other Banks ..	169,802 07
Balance due from other Banks	119,407 93
Government Debentures	2,000 00
Loans to Corporations	52,900 00
Loans and Bills Discounted, current	5,112,056 04
Loans and Debts overdue, specially secured	169,408 86
Loans and Debts overdue, not specially secured ..	128 273 80
Bank Premises ..	193,525 50
Other Assets	73 728 04
	\$6,472,769 96

D. FISHER,
General Manager.

ONTARIO BANK, Toronto,
May 31st, 1879.

It was moved by Sir W. P. Howland, and seconded by Hon John Simpson, that the report be adopted. Carried.

Mr. E. H. Rutherford moved, seconded by Mr. John Morison, that the thanks of the shareholders are hereby given to the President and Directors for their efficient management of the affairs of the Bank during the past year. Carried.

Moved by Mr. W. J. Macdonell, seconded by Mr. James Dryden, that the thanks of the Managers, Agents and other officers of the Bank for their services during the past year. Carried.

Mr. W. F. Allen moved, seconded by Mr. James H. Morris, that Messrs. W. G. Cassels, W. J. Macdonell and C. S. Gzowski, Jr., be Scrutineers of this election, and that they report the result to the General Manager; and that the balloting now commence, and that it close at four o'clock; but if at any time five minutes shall have expired without a vote being tendered, the ballot may be closed by the Scrutineers. Carried.

The Scrutineers reported as follows:—

Sir—We, the undersigned Scrutineers, appointed at the annual meeting of the shareholders of the Ontario Bank, held this day, do declare the following gentlemen duly elected as Directors for the current year, viz:—Hon. John Simpson, Hon. D. A. Macdonald, Sir W. P. Howland, Lieut.-Col. C. S. Gzowski, A. M. Smith, R. Nicholls, D. Mackay.

W. G. CASSELS,
W. J. MACDONELL,
C. S. GZOWSKI JR.,
Scrutineers.

To D. FISHER, Esq.,
General Manager.

The Board of Directors met after the report of the Scrutineers and elected Sir W. P. Howland, C. B. President, and Lieut.-Col. Gzowski, Vice-President.

BANK OF TORONTO.

The twenty-third annual meeting of the stockholders of this institution was held at its banking house in this city, on Wednesday, the 18th of June. On motion of Mr. A. T. Fulton, the Vice-President, Mr. James G. Worts was called to the chair, and the Cashier at his request read the following annual

REPORT.

The Directors of the Bank of Toronto herewith submit, for the consideration of the shareholders, the following statement, exhibiting the result of the past year's business, which they

regret has not been of a more satisfactory nature:—

The net profits of the year, after deducting cost of management, interest due depositors, rebate on current notes discounted, & making full provision for bad and doubtful debts sustained during the year, amount to	\$165,198 00
Balance brought forward from last year	2,314 88
	\$167,512 97

Deduct—

Dividend No. 45, three and one-half per cent	\$70,000 00
Dividend No. 46, three and one-half per cent	70,000 00 140,000 00

Balance	\$ 27,512 97
Rest transferred ..	500,000 00
	\$527,512 97

Appropriated for bad and doubtful debts ..	\$273,376 07
Placed at credit of Contingent Fund ..	250,000 00 523,376 07

Balance to new account	\$ 4,136 90
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The year has been distinguished by continued depression and curtailment in the general business of the country, accompanied by a large increase in the number of failures, and for amounts much in excess of previous years, thereby the ordinary profits of the bank have been diminished, while the losses by bad debts have been much above the average.

The net profits, after providing for the losses sustained during the year, have exceeded the dividends paid, but in view of the shrinkage in the value of certain assets carried forward from previous years, the Directors, after a careful scrutiny of the entire business and investigation of the various accounts of the bank, have considered it necessary to take the sum of \$500,000 from the Rest, thereby enabling every ascertained bad debt to be written off, besides making a liberal provision for accounts presenting elements of doubt or uncertainty.

The Directors exceedingly regret that on account of the times through which the trade of the country has passed, and is still passing, they should have been compelled to adopt this course, in order to place the assets of the bank on a sound and satisfactory basis.

Your Directors, while refraining from a forecast for the coming year, beg to state to the shareholders that they may rest satisfied that the bank remains in the most favourable position to take advantage of any improvement that may arise in the business of the country.

The Directors have to refer to the removal by death during the year, of one of their colleagues—James Appelbe, Esq. A suitable expression of condolence has been forwarded to the widow and family of the deceased, but in the interim not any steps were taken to fill the vacancy.

All of which is respectfully submitted.

WM. GOODERHAM,
President.

GENERAL STATEMENT OF LIABILITIES AND ASSETS AS ON MAY 31ST, 1879.

Liabilities.

To notes in circulation	\$ 592,521 00
To Dominion Government deposits, payable on demand	364,617 96