

Report of the Directors of the Bank of Upper Canada.

Presented to the Stockholders at their Annual Meeting on Tuesday 25th June, 1861.

The Directors in meeting the Proprietors at this time, beg to refer to the full information given in the Report of the Cashier, addressed to them at request of the Board, which has just been read. The details contained therein render it unnecessary for them to enter as fully as usual into the affairs of the Bank; they, however, deem it proper to allude to several items.

The losses at the Head Office appear large, but the Directors would state, that the amount has been greatly augmented by the addition from time to time of interest added to the principal sums, not only at Toronto, but also at the Branches, the loans until recently having been considered good.

With reference to the debt due by the Grand Trunk Railway Company they would remark, that the amount now due the Bank by that Company is a balance of transactions running over a period of years, amounting to several millions of pounds, and always, until recently, of a highly satisfactory character. From the information the Directors have received they are of opinion that this debt and interest is secure, and will be recovered within a reasonable time. When that is accomplished, and other assets of the Bank, consisting of real estate, mortgages, debentures, &c., are realised, they have every confidence that the future career of the Bank will be prosperous.

The Directors would call the attention of the Shareholders to the recommendation contained in the Cashier's Report, with reference to reduction of Stock and the issue of New Preference Shares, and would recommend that the same be adopted by the Shareholders as the best means of placing the Bank at an early period in a strong position.

Before concluding their Report, the Directors would beg to submit to the Shareholders the claims of the late Cashier, T. G. Ridout, Esq. The Proprietors are doubtless aware, that on the appointment of the present Cashier, Mr. Ridout retired from the Bank after a service of nearly forty years, and in now leaving this matter in the hands of the Shareholders the Directors are persuaded that due consideration will be given to Mr. Ridout's long services and advanced age.

All which is respectfully submitted.

E. H. RUTHERFORD,

Vice President.