

The Eastern Townships Bank

The forty-seventh annual meeting of the shareholders of the Eastern Townships Bank was held in the board room of the Bank in Sherbrooke at 2 o'clock on Wednesday, December 6. In addition to the Directors, there were present:—Judge Alfred Newport; Hon. M. F. Hackett, Stanstead; A. N. Thompson, Stanstead; F. Spaulding, Burlington, Vt.; C. M. Sherman, Newport; Rev. A. Lee Holmes, Stanstead; C. W. Mansur, Stanstead; R. F. Morris, H. D. Lawrence, Col. Felton, Dr. F. J. Austin, J. W. Woodside, C. W. Cate, Capt. Bennett, C. D. White, of Sherbrooke, and others.

The President took the chair and the General Manager acted as secretary.

Mr C. W. Cate and Mr. C. D. White were appointed scrutineers of votes.

THE DIRECTORS REPORT.

The Directors' report was read as follows:—

The Directors have much satisfaction in presenting to the Shareholders the accompanying balance sheet and profit and loss statement, showing net earnings exceeding 12½ per cent. Considering the low rates of interest which have prevailed and the necessity of keeping a good cash reserve, they consider the results very satisfactory.

Out of the balance of profit as shown, provision has been made for two semi-annual dividends at the rate of 8 per cent. per annum, one paid 2nd July last and the other payable 2nd January next.

One hundred thousand dollars has been carried to Reserve Fund, making that amount up to \$1,600,000, being 64 per cent. on the Capital, leaving a balance of \$24,566.18 to be carried forward.

Branches have been established during the year at Actonvale, Hemmingford, Lennoxville and Waterville, in the province of Quebec, and at Vancouver and Midway, in

British Columbia. Sub-agencies have also been opened at Valcourt, Beloeil, Iberville, Clarenceville, Lacolle, Scotstown, Howick and Stanstead, in this province. They are also about to open a branch on Wellington street, in this city in order to accommodate the growing business in that section. Previous reports have foreshadowed the opening at Vancouver, and although the branch has only been opened for a few months a very satisfactory business is being done. The Midway office is at a point where large expenditure is being made by the construction of two railways and is a central point in that section.

Deposits have increased during the year nearly \$2,000,000, being largely in excess of any previous year, showing the increasing growth and prosperity of the country, which is very gratifying.

In view of the increasing business of the Bank, the Directors have decided to issue the balance of the \$1,000,000 capital authorized at the special meeting of Shareholders in February, 1903, viz.; \$500,000, the calls being payable 10 per cent. monthly with the premium commencing on second day of January next the issue being at 60 premium.

As there appears to be a pretty general desire by investors for more frequent division of profits, your Directors have decided to meet this demand, and in future dividends will be paid quarterly, viz.; January, April, July, and October.

The inspection of the various offices has been made as usual.

In conclusion the Directors have much pleasure in testifying to the zeal and fidelity of the General Manager, Inspectors, Managers and other officers of the Bank.

The whole respectfully submitted.
WILLIAM FARWELL,
 President.

PROFIT AND LOSS.

The statement of profit and loss account for the year ending November 15, 1905, is as follows:—

Balance at credit of Profit and Loss brought forward from November 15, 1904.	\$ 30,217 74
Profit of Head Office and Branches, after deducting charges of management, interest due depositors, and provision for bad and doubtful debts.	317,279 84
Premium paid on new issue of capital stock.	14,055 00
	\$361,552 58

Appropriated as follows:—

Dividend of 4 per cent., paid 2nd July, 1905.	\$ 99,986 40
Dividend of 4 per cent., payable 2nd January, 1906.	100,000 00
Transferred to Reserve Fund.	100,000 00
Applied in reduction of value of securities.	29,000 00
Bonus to employees.	8,000 00
	\$336,986 40
Balance carried forward.	\$24,566 18

J. MACKINNON, General Manager.

THE GENERAL STATEMENT.

The General Statement at 15th November, 1905, is as follows:—

LIABILITIES.

Notes of the bank in circulation.	\$2,068,885.00
Deposits payable on demand.	2,816,622.82
Deposits payable after notice.	9,094,237.20
	11,910,860.02
Dividend No. 92, at the rate of 8 per cent. per annum, payable 2nd January next.	100,000.00
Dividends unclaimed.	3,291.72
	103,291.72
	\$14,083,036.74
Capital paid up.	2,500,000.00
Reserve Fund.	1,600,000.00
Reserve on account of rebate on bills discounted, unmatured.	35,000.00
Balance Profit carried forward.	24,566.18
	4,159,566.18

ASSETS.

Gold and silver coin on hand.	\$159,316.01
Dominion notes on hand.	1,087,022.00
Deposit with Dominion Government for security of Bank Note circulation.	103,000.00
Notes of and Cheques on other Banks.	561,188.39
Balance due from other Banks.	2,070,529.20
Government, Municipal, Railway and other Debentures and Stocks.	584,039.62
Call Loans on Bonds and Stocks.	297,189.76
Total assets immediately available.	\$4,853,285.97
Loans and Bills discounted.	12,740,039.34
Loans overdue (Estimated Loss provided for).	80,219.48
Real estate (other than Bank Premises).	45,613.46
Mortgages on Real Estate sold by the Bank.	66,401.60
Bank Premises and Furniture, including safes and vaults at Head Office and Branches.	427,751.65
Other Assets.	29,292.32
	13,389,317.85

\$18,242,602.92

\$18,242,602.92

J. MACKINNON, General Manager.