

## THE TRADERS BANK OF CANADA—Continued

been a decrease of expenditure wherever possible. In no case, however, has this desire for economy been allowed to impair the efficiency of the working of the Bank.

### BRANCH SYSTEM EXTENDED.

During the year, owing to the largely increased business of the Bank, we found it advisable to open some important branches. In Vancouver an agency has been established in a central and highly desirable location. A property was purchased which has already considerably increased in value, and the Bank has opened there with every prospect of success. An office has been opened in Montreal under favorable circumstances, and several desirable points between these two large cities have been selected for our branches. The result from the Western field thus opened up have been very gratifying, and have fully justified the action taken by our Directors. It will also be necessary to consider in the near future what steps should be taken to connect our system with the Maritime Provinces, thereby extending our financial relations and still further increasing our facilities for doing business in all parts of Canada.

The astonishing growth and extension of Toronto, and its business, demanded serious consideration. The most important move made here was the opening within the past few weeks of a branch at the corner of Yonge and Richmond streets in the office lately occupied by the Bank of Montreal. Already business of a most material character is coming to us at this branch, and being in the centre of the commercial, financial and trade locality of Toronto, this point will always be an important agency.

### ASSETS SOUND.

I need not go into the details of the Annual Statement, which has just been read to you, and which you have had for some time past in your hands. I would like to point out to you, however, that we are able to add \$200,000 to Rest Account, to contribute \$20,000 in reduction of Building and Furniture Account, to give \$5,000 to Pension Fund for the benefit of disabled or old retiring officers, to add \$5,000 to a Guarantee Fund to protect the Bank against loss by personal defalcation or losses through any member of its staff, and to carry something over \$102,000 to Profit and Loss Account.

In preparing this statement we have dealt with the value of the assets in a vigorous manner. There has been no hesitation in allowing most liberally reasonable provision for bad and doubtful debts, and I believe that no item has been knowingly placed amongst the assets at one dollar more than its actual and available value. We felt that the solidity and vital character of the Bank's business justified us in using more than ordinary criticism of what might be treated as doubtful, and I believe that had we applied the ordinary test to the valuation of our assets, the net gains would appear much in excess of what the statement shows.

### GRATIFYING INCREASE IN BUSINESS.

At the last Annual Meeting the statement was made that for 1909 great progress might be looked for. I am delighted to say that this statement has been fully verified. We have made, so far as I am aware, absolutely no bad debts, during the year, except in the few small accounts which may yet be realized. The whole twelve months present a record of credits well observed, debts promptly paid, and no losses.

Our deposits have increased at an astonishing rate, and this, after all, is one of the great tests of public confidence and of stability in a Bank's affairs. Look for one moment at the facts. The increase alone in our deposits for the past year is nearly as great as the total deposits were ten years ago, then representing nearly fourteen years' accumulations. This year's addition to Rest Account is three times more than the total Rest of the Bank ten years ago. We have added to our total assets in 1909 a sum almost equal to the whole assets of the Bank at that period, and the increase in circulation for 1909 is equal to two-thirds the whole circulation of the Bank at the same period of comparison. In addition to all this, you are now receiving an increase in dividend of 1 per cent., as promised, with ample provision against all contingencies. The promises held out a year ago have, therefore, been fully met, and we have no doubt that the future will bring equally good, if not better, results in every branch of the Bank's business. Notwithstanding the low rate of interest during the earlier part of the year, and the abundance of available money, the earnings of the Bank have not suf-

fered. We are able to increase the dividend and maintain at the same time a strong position with regard to all other obligations and contingencies. The increase in dividend is warranted by the condition of the Bank's affairs, and we felt that the interests of the shareholders should be kept in view, as the Bank has reached the stage when it can well afford to recognize these interests without impairing its ability to perform all its other obligations.

It is also a source of pleasure to know that the relations between the Bank and its customers are so satisfactory that litigation is almost unknown in the Bank's record for 1909. The absence of legal proceedings shows the accounts to be in a healthy condition, for it is only in cases of bad or doubtful credits that the law has to be invoked. Prompt payment and good security are the chief reasons why the bank has not required the aid of the courts, and when you consider that nearly \$40,000,000 are under the control and management of the Bank, with tens of thousands of accounts in all parts of the Dominion, outstanding and current, and that only a few suits have been entered during a whole year, you will readily conclude that the financial condition is safe and strong.

### THE BUILDING.

One of the best investments of the Bank continues to be the Head Office Building. Every foot of rentable space is occupied, and the rents are promptly paid. After paying all outgoings, the Bank receives nearly 5 1/2 per cent. net profit on the investment, or, to be exact, 5.40 per cent. Rents appear to be increasing, notwithstanding the many new office buildings, and with our equipment and accommodation for tenants, there need be no fear as to the future revenue from this source. The other buildings also yield a good return and promise well for the future.

The staff from the chief of the Executive to the messengers are enthusiastic in their work, attentive to their duties, and efficient in every detail. Every office has been thoroughly inspected and full reports made to the Board thereon.

I now move that the Report for the year 1909 be adopted.

Mr. E. F. B. Johnston, K.C., seconded the motion. He pointed out that the Bank had risen from small beginnings to be one of the most important financial institutions in the Dominion. It had all the elements of sound progress and stability. The large deposits during the past year showed the confidence of the public. The absence of litigation proved that the debts were being promptly paid, or well secured, and the increase in the dividend, justified as it was, is the strongest evidence of the good earning power of the Bank. The Directors scrutinize every credit, except in very small accounts, and exercise their best discretion in determining the policy and conduct of the Bank's affairs.

The motion for the adoption of the report was carried unanimously.

It was moved by Mr. Geo. LeRiche and seconded by Mr. Geo. Watson that the thanks of the shareholders are due, and are hereby tendered to the President, Vice-President and Directors of the Bank for their attention to the interests of the Bank during the past year. Carried.

It was moved by Rev. J. S. Williamson, and seconded by Mr. J. R. McKiehan that the thanks of the Directors and Shareholders are due, and are hereby tendered to the General Manager, the Assistant General Manager, and the staff of the Bank, for their diligent attention to the interests of the Bank during the past year. Carried.

It was moved by Mr. Ed. Dickenson, and seconded by Mr. J. J. Gibson that the ballot be now open for the election of Directors, and to be kept open until three o'clock, unless five minutes elapse without a vote being cast, when it shall be closed, and until that time, and for that purpose only, this meeting be continued.

The scrutineers reported the following gentlemen duly elected to act as directors for the ensuing year, viz.: C. D. Warren, Hon. J. R. Stratton, C. Kloeffer (Guelph), W. J. Shepherd (Waubesaushene), C. S. W'cox (Hamilton), E. F. B. Johnston, K.C., H. S. Strathy.

The meeting then adjourned.

At a subsequent meeting of the newly elected directors, Mr. C. D. Warren was re-elected President, and Hon. J. R. Stratton, Vice-President by an unanimous vote.

STUART STRATHY,  
General Manager.

The Traders' Bank of Canada,  
Toronto, 25th January, 1910.