

*Twentieth Annual Report of the Directors of the Ontario Bank, presented to the Shareholders at their Banking House in Toronto, on Tuesday, twelfth day of June, 1877.*

On the termination of the twentieth year of the bank's business, your directors beg to present their annual report, and the following statement showing the year's business:—

The profits for the year, after deducting expenses of management and accrued interest on deposits were

From which was paid:—  
Dividend No. 39, four per cent, 1st December, 1876..... \$119,840 03  
Dividend No. 40, four per cent, 1st June, 1877..... 119,847 20

\$239,687 23

Leaving balance of profit for the year..... \$57,767 41  
To which add balance of profit and loss from last year..... \$79,141 23

\$136,881 64

Less written off for bad and doubtful debts..... 100,000 00

Balance to credit to profit and loss.. \$36,881 64

From the above exhibit the shareholders will observe that the year's business done by the Bank was sufficient to earn the usual dividend of eight per cent, which was paid, and to add to "Profit and Loss" \$57,767.41.

The general depression in every branch of business throughout the Dominion, to which your Directors felt it necessary to allude in their last year's report, has, they regret to say, continued with unabated severity.

The injury to the agricultural interest by the serious deficiency in last year's crop (notwithstanding the favourable prospects at the date of last year's report), intensified the already existing financial embarrassment, and the hopes your Directors then entertained of a revival of trade from a good harvest were not realized.

The chief business of the Bank during the past year was confined to giving such accommodation to its regular customers as, under the existing circumstances, it was bound to do.

Careful examinations have been made into all the Bank's transactions by frequent and thorough inspections at the Head Office and Branches in order to arrive at the value of the business done at each point, as well as to determine the amount of losses the Bank has sustained (which your Directors in their last Annual Report desired should be more definitely ascertained before making provision therefor) and have resulted in finding that the losses will amount to about \$155,000 over and above the amount written off during the past year.

The Directors consider it their duty to the shareholders to recommend that these losses be now written off, and that the sum of \$30,000 from the amount now standing at the credit of profit and loss, and the sum of \$125,000 be taken from the reserve, and appropriated for that purpose.

The favourable prospect of an abundant harvest this year is a hopeful and cheering feature, but your Directors, from the experience of last year, do not venture to depend too much upon it.

They, however, are inclined to believe that the business depression has reached its lowest point, and that the experience gained will tend to cause all business and banking transactions hereafter to be based on a sounder footing, and check that spirit of extravagance and speculation too much indulged in during the past.

The usual statement of the Bank at the close of the year is annexed.

All of which is respectfully submitted,  
JOHN SIMPSON,  
President.  
Ontario Bank, Toronto, 12th June, 1877.

*General statement of the affairs of the Ontario Bank as on Thursday, May 31st, 1877.*

*Liabilities.*

Capital stock paid up.....	\$2,996,180 00
Reserve.....	525,000 00
Profit and loss.....	36,881 64
Interest and exchange reserved.....	28,470 87
Unclaimed dividends.....	3,964 10
Dividend No. 40, payable 1st June.....	119,847 20
	\$3,710,343 81
Notes in circulation.....	\$734,353 00
Deposits not bearing interest.....	1,508,417 61
Deposits bearing interest.....	1,543,097 63
Balances due to other banks.....	242,672 58
	\$4,023,539 85
	\$7,738,883 66

*Assets.*

Specie.....	\$ 171,094 64
Dominion notes.....	495,985 00
Balances due from other banks.....	102,305 02
Notes and cheques of other banks.....	108,416 71
Government debentures.....	2,000 00
Notes and bills discounted current.....	6,138,240 61
Notes and bills discounted overdue.....	226,986 34
Debts secured by mortgages and other securities.....	175,387 96
Bank premises.....	189,046 58
Other assets.....	66,420 80
	\$7,738,883 66

D. FISHER,  
General Manager.

Ontario Bank, Toronto,  
31st May, 1877.

After a few remarks on the business of the past year from the Hon. John Simpson and the Hon. W. P. Howland, it was moved by the former and seconded by the latter, that the report be adopted, which was carried unanimously.

Moved by J. H. Morris, Esq., seconded by Aaron Ross, Esq., 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.

Moved by John Hallam, Esq., seconded by Andrew Hamilton, that Messrs. H. R. Forbes, W. J. McDonell and W. G. Cassels 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 two 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.

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. W. P. Howland, Hon. D. A. Macdonald, Donald Mackay, Esq., C. S. Gzowski, Esq., A. M. Smith, Esq., and Wm. McGill, Esq., M.D.

W. G. CASSELS,  
W. J. MACDONELL,  
H. R. FORBES,  
Scrutineers.

To D. FISHER, Esq.,  
General Manager.

The Board of Directors met after the report of the scrutineers, and re-elected the Hon. John Simpson, President, and the Hon. W. P. Howland, Vice-President.

## Correspondence.

### INSURANCE ON GOODS IN BOND.

To the Editor of the *Journal of Commerce*.

DEAR SIR.—A question of very considerable importance has been mooted, viz: If goods in bond are destroyed by fire, are the owners liable to the government for duty? So far there appears to be very great uncertainty and difference of opinion in the minds of the interested, those in authority generally holding that the Government can demand and enforce payment, while the Insurance Companies with many others deny this right, and say that no claim can be made except they go into consumption, the owners of such goods having power to send them out of the country, Government being powerless to collect on them. This is too serious a matter to be left longer in doubt, as parties do not know how to make their insurance, whether plus or minus the duty.

Yours truly,  
W. R. J.

Montreal, June 14, 1877.

So far as we can learn there is no legal precedent bearing strictly on this matter, and a common sense view is the only resource. Goods in bond may be regarded the joint property of the importer and the government to the extent of their respective claims upon them, and they do not become the absolute property of the importer till that lien, which is really a part of their price, has been paid; therefore the importer can insure only that proportion of their value which belongs to him, while they are in bond. The government only has the power to insure the amount of the duty. If the goods in bond be destroyed by fire, it should follow that the government cannot collect the duty. A rebate is allowed on goods damaged in transit; why should not there be a complete rebate (if we may use the term) if the goods are totally destroyed before they pass into the hands of the importer? As illustrating our view of the matter we refer our readers to the following extract from the Consolidated Statutes, 31 Vic. Chap. 6, Sec. 67, an Act Respecting Customs:

If within the period appointed as aforesaid from entry outwards their be produced a certificate annexed to the shipping warrant and signed by some principal officer of the customs or colonial revenue at the place to which the goods were exported, or if such place be a foreign country, of any British Consul or Vice-Consul resident there, or an affidavit annexed to the warrant of any person resident at the place and certified by a notary public or magistrate, and in such certificate or affidavit it be stated that the goods were actually landed at some place out of Canada, as provided by the bond, or that they were lost, or that the vessel had never arrived at her destination and is supposed to be lost, the bond mentioned in the preceding section shall be cancelled.

It is to be hoped that the government will give this matter early attention and relieve the mercantile community from due anxiety.—[Ed. J. of C.]

## Commercial.

### MONTREAL GENERAL MARKETS.

MONTREAL, June 14th, 1877.

Although the dull season is upon us, when, the spring trade being over, merchants expect a general slackness in trade, a fair business still continues to be done, doubtless owing to the