

The Bank of British North America

ESTABLISHED IN 1836

Incorporated by Royal Charter in 1840

SEVENTY-FIFTH ANNUAL REPORT AND BALANCE SHEET

Report of the Directors of the Bank of British North America, presented to the Proprietors at their Seventy-Fifth Yearly General Meeting, on Tuesday, March 7th, 1911.

The Court of Directors submits the accompanying Balance Sheet to the 31st December last.

It will be seen that the profits for the year, including \$99,986.73 brought forward from last account, amount to \$651,928.35, which the directors propose to distribute as follows:

In the payment of a dividend of 30s per share	\$146,000.00
In the payment of a Bonus of 10s per share	48,666.66
Both payable, free of Income Tax, on the 7th April next.	
Transferring to the Reserve Fund	121,666.66
Transferring to Bank Premises Account	48,666.66
And in the payment of a bonus of 5 per cent. to the Staff, about	29,200.00
dividend paid October, 1910	146,000.00
Leaving a balance to be carried forward of	83,712.24

The above Dividend and Bonus will make a distribution of 7 per cent. for the year.

The Dividend Warrants will be remitted to the Proprietors on the 6th April next.

Since the last Report, dated 30th June, 1910, Branches have been opened at Ceylon and Lampman, in Sask.; and Sub-Branches at Royce avenue, West Toronto; Haymarket Square, St. John; and Upper Lonsdale avenue, North Vancouver.

The following appropriations from the Profit and Loss Account have been made for the benefit of the Staff, viz.:

To the Officers' Widows' and Orphans' Fund	\$ 6,353.56
To the Officers' Pension Fund	20,769.23
To the Officers' Life Insurance Fund	3,803.34

London, 24th February, 1911.

Proceedings of the Seventy-Fifth Yearly General Meeting, on Tuesday, March 7th, 1911.

The Secretary (Mr. A. G. Wallis), having read the notice convening the meeting.

The Chairman (Mr. J. H. Mayne Campbell, of Toronto), said: The report and the balance-sheet as at December 31, 1910, being in your hands some days ago, I think we need not read them through at length, and that it will save repetition if we take up the matters dealt with in the report, as we meet them in going through the balance-sheet. Turning then to it, and comparing it with that of the previous year, the \$121,666.66 that we propose in the report to transfer to reserve fund brings that account up to \$2,652,333.33—54½ per cent. upon the capital. In the last fourteen years we have added \$1,314,000.00 to reserve, entirely out of the bank's profits, and we think it very important to continue strengthening it. Deposits and current accounts have increased \$1,610,199.93, and our notes in circulation \$376,422.06. Bills payable and other liabilities, etc., are \$264,255.13 less than a year ago; rebate account is somewhat larger. The next item, liability on endorsements, was an indirect liability existing at the close of 1910, and all the paper representing it has since run off. The two items in currency, totalling \$500,000, were explained by the chairman at recent general meetings. This brings us to the profit and loss account. We brought into the first half-year's account from the preceding, after paying the dividend and bonus declared in respect of it, the sum of \$99,986.73. To this is to be added the net profits of the year, \$554,941.62. We propose dealing with this in the following way—\$121,666.66 to be added to the reserve fund, as I have already mentioned. Then we would write down our premises account by another \$48,666.66, leaving it at the figures you will see on the other side of the balance sheet, \$1,100,184.66. The demands of this account upon us are continuous and insistent, and do not admit of denial or postponement if we are to retain our position in the banking world of

Canada. Since June 30, 1902, we have appropriated \$413,666.66 out of profits against premises account, and still it has increased a further \$584,000.00; so that we have expended in all \$997,666.66 for the purposes of this account during the last eight and a half years. During the same period, however, the offices—comprising branches, sub-branches and agencies—have been increased from twenty-four to eighty-three, and our premises in some of the older centres have been remodelled, modernised and greatly enlarged. Though the expenditures and appropriations may look large, they are not really so when measured by this need of keeping pace with the tremendous strides that the country has been making and the expenditures this has entailed upon us; and the directors' only regret is that it has not been possible to make even larger appropriations for the purpose of keeping the premises account within smaller figures. Then we propose, subject to your sanction, to make the usual contributions out of profits to the officers' funds. And we have great pleasure, too, in recommending for your approval the proposed 5 per cent. bonus to the staff. These transfers and appropriations from the profits leave a balance of \$124,378.89, out of which we paid an interim dividend of 30s per share in October last, disbursing \$146,000.00; and now propose to pay a final dividend of 30s per share and a bonus of 10s per share, both payable, free of income tax, on this day month. These distributions will amount to \$340,666.66, or at the rate of 7 per cent. for the year, leaving a carry-forward of \$83,712.24 to the new year. Turning now to the assets, there is an increase in cash and specie of \$459,223.53, whilst the loans at call and on short notice are \$1,689,205.39 lower. The cash and specie, \$5,812,057.87, was in the proportion of 37.35 per cent. to our immediate and direct liabilities—that is to say, to demand deposits plus the note circulation; and our total cash assets available immediately, or at call or short notice, \$14,896,899.47 were 32.7 per cent. of our whole direct liabilities to the public. As to the investments, we have sold the rest of our consols, and the National War Loan was paid at maturity. The proceeds