

Due to other banks in Canada....	9,106 39
Due to agencies of the bank, or to other banks or agencies in the United Kingdom.....	5,125 79
Heirs Rodier, for mortgage on land	50 000 00
Capital stock paid up.....	1,000,000 00
Dividends unpaid.....	159 00
Interest reserved for depositors..	6,057 65
Interest reserved on current discounts.....	20,253 87

Total liabilities\$1,890,094 96

Assets.

Specie.....	\$ 10,438 10
Dominion notes.....	11,353 38
Notes of & cheques on other banks	113,081 44
Balances due from other banks in Canada.....	22,180 85
Balances due from agencies of the bank or from other banks or agencies in foreign countries..	16,785 10

\$173,838 87

Loans, discounts or advances for which stock, bonds or debentures of municipal or other corporations, or Dominion, Provincial, British or foreign or colonial public securities are held as collateral securities.....	75 641 89
--	-----------

Loans, discounts or advances on current account to other corporations.....	13,511 88
--	-----------

Other current loans, discounts and advances to the public.....	1,047,730 07
--	--------------

Notes and bills discounted overdue and other overdue debts secured by mortgages or other deed or real estate, or by deposit of or lien on stock, or by other securities.....	42,432 89
--	-----------

Real estate, the property of the bank (other than the bank premises).....	8,000 00
---	----------

Bank premises and furniture.....	100,000 00
----------------------------------	------------

Other assets not included under the foregoing heads.....	86,950 00
--	-----------

Total assets.....	1,548,605 60
Deficiency.....	\$341,399 36

Accounted for as follows:

Ascertained losses on overdue debts, not previously provided for.....	174,514 94
---	------------

Estimated depreciation on collaterals held by the bank.....	59,354 48
---	-----------

Estimated depreciation in bank premises and furniture at Montreal and branches.....	107,529 94
---	------------

\$341,399 36

THOMAS CRAIG, Cashier.

The President regretted having to submit such a report, showing, as it did, a deficiency of \$341,000; but when Mr. Craig, the present cashier, came into the bank, they had to go over their assets, and it was only right to write them down carefully, so as to be able to show a future profit. The item of \$107,000 depreciation on bank premises, they did not look upon entirely as a bad debt.

The affairs of the bank were then pretty minutely discussed by the shareholders generally, and the directors were complimented upon their action in personally assuming a loss of some \$28,000 upon Montreal Telegraph stock, which had been bought by the late manager without the knowledge of the board.

A discussion ensued as to the best course to

be adopted for the future carrying on of the bank; it was proposed by one shareholder to wind up, but this proposition met with little favor. The directors stated they had been considering the situation closely for several weeks past, and they were satisfied that the wisest thing to do would be to apply to Parliament for authority to reduce the capital, say to half a million, which would leave them with a rest of \$100,000, besides something for a contingent fund, and would enable them to begin paying dividends immediately. It was accordingly moved, that inasmuch as the capital of the bank was impaired, and as it was expedient that the payment of dividends should be resumed as early as possible, the directors be authorized to apply for liberty to reduce the paid up capital to such an amount as may be deemed advisable. This motion was carried unanimously, as likewise was one expressing the appreciation of the liberality of the directors in assuming the loss incurred upon telegraph stock. At the close of the proceedings the old board was re-elected, viz, Messrs. M. H. Gault, M.P., President; T. Caverhill, Vice-President; James Crathern, E. K. Greene, T. Tiffin, A. Buntin, and A. W. Ogilvie.

At a subsequent meeting of the Board M. H. Gault was elected President, and Thomas Caverhill, Vice-President.

UNION BANK OF LOWER CANADA.

The annual meeting of this Bank was held at its chief office in Quebec on Monday the 5th inst. Amongst those present were Messrs. E. J. Hale, W. H. Carter, W. Sharples, D. C. Thomson, E. Giroux, W. Miller, T. McGreevy, P. A. Shaw, M. O'Brien, J. W. Henry, A. Joseph, W. Hossack, N. Maheux, H. S. Scott, A. Thomson, T. H. Thomson, R. R. Dobell, N. Lemieux, J. S. Budden, and Hon. John Hearn.

The President, Mr. A. Thomson, took the chair, and requested Mr. G. H. Balfour to act as Secretary, and Messrs. E. J. Hale and P. A. Shaw, as Scrutineers, which was assented to. The Chairman then read the following report of the Directors:

Report.

The Directors beg to submit their fifteenth annual report of the business of the Bank, viz: Balance at credit of Profit and Loss Account brought forward.....\$ 10,977 39 Profits for the year ending 21st June 1880, after deducting expenses of management and reserving for interest and exchange.....151,373 14

\$162,350 53

Which has been applied as follows:

Dividend No. 28, 2 per cent. paid 2nd January 1880.....	\$39,859 80
---	-------------

Dividend No. 29, 2 per cent. payable 2nd July, 1880.....	39,859 80
--	-----------

Appropriated to bad and doubtful debts.....	70,747 90
---	-----------

150,467 50

Balance at credit of profit and loss, new account.....	\$ 11,883 03
--	--------------

The gross profits of the year were..	196,634 70
And the expenses of management..	45,261 56

Leaving the nett earnings ...\$151,373 14 or over 7½ per cent. on the capital of the Bank.

The losses applicable to the past year's business do not exceed \$10,000, which, deducted from the nett earnings, would leave a nett profit of 7 p. c.

The Directors have pleasure in informing the

shareholders that the business of the bank has much improved during the past year; the profits are larger, and the circulation and deposits, not bearing interest, greatly increased.

The nett profits as compared with those of the previous year are larger by \$15,000; this is more a subject of congratulation when it is considered that the first six months of the past year was the most discouraging period since the commencement of the commercial depression in 1874 and 1875, and that the increased business of the bank, due in great measure, to the improvement in business from the revival of the lumber trade, has been brought about only in the last few months.

The lumber interests affect, to a very important extent, almost every other industry in this province, as well as the values of properties of various kinds, timber lists, real estate, &c.

This trade was, no doubt, at its lowest and most depressed condition towards the middle of last summer, but before the close of navigation large sales of square timber were effected and, from that time to the present, prices have steadily advanced for all descriptions of lumber, and there is every reason to expect this revival will be of a permanent character.

The expenses of the bank, which were reduced last year to the lowest possible figure consistent with the efficient management of its affairs, are still continued on the same economical plan.

The Board has deemed it prudent to apply a large portion of the profits of the past year towards an allowance for debts due the bank which although formerly considered good it is now thought desirable to write off, in consequence, to a great extent, of the depreciation in the value of the assets of insolvent estates upon which the payment of dividends depended.

The Cashier and other officers of the bank have performed their respective duties to the satisfaction of the Board.

The head office and branches of the bank have been regularly inspected during the year.

A. THOMSON,
President.

Union Bank of Lower Canada,
5th July, 1880.

The general statement was as follows:—

Liabilities.		
Capital stock paid up		\$1,992,999 00
Profit and loss, new account.....	\$11,883 03	
Interest and exchange reserved.....	18,619 23	
Unclaimed dividends	2,576 07	
Dividend No. 29, payable 2nd July, 1880	39,859 89	
		72,938 13
Notes of the bank in circulation.....	460,917 00	
Deposits bearing interest.....	757,948 80	
Deposits not bearing interest.....	616,057 81	
Due to other banks in Canada and the United Kingdom..	229,849 29	
		2,064,772 90
		\$4,130,701 03

Assets		
Gold and Silver Coin	\$ 78,386 64	
Dominion Gov't notes	128,864 00	
Notes & Cheques on other Banks.....	76,762 34	
Due from other Banks	31,668 75	
		\$ 315,681 73
Government Securities.....		262,106 65
Loans and Discounted Notes current.....	3,160,891 57	
Debts secured by Mortgage and otherwise.....	42,387 21	