

## THE BANK OF MONTREAL.

The ninetieth annual general meeting of the shareholders of the Bank of Montreal was held in the Board Room of the institution on Monday, 2nd December, at noon.

There were present:—Sir George Drummond, K.C.M.G., president; Mr. E. S. Clouston, vice-president and general manager; Sir William C. Macdonald, Sir Robert G. Reid, Hon. Robert Mackay, Messrs. James Ross, R. B. Angus, A. T. Paterson, James Croil, W. H. Evans, R. C. Fisher, A. C. Lyman, H. W. Aird, W. B. Blackader, C. J. Fleet, K.C.; James Kirby, K.C.; E. Goff Penny, James Tasker, G. F. C. Smith, Henry Dobell, Richard White, Huntley Drummond, F. S. Lyman, K.C.; M. S. Foley, B. A. Boas, R. W. Shepherd, Henry Mason, William Stanway, B. Dawson, A. G. Watson.

On the motion of Mr. R. B. Angus, Sir George Drummond, president, was unanimously voted to the chair, and after this, it was resolved:—"That the following be appointed to act as scrutineers:—Messrs. F. S. Lyman, K.C., and G. F. C. Smith; and that Mr. James Aird be secretary of the meeting."

Mr. E. S. Clouston then submitted the report of the directors as follows:—

## The Directors Report.

The directors have pleasure in presenting the report showing the result of the bank's business for the year ended 31st October, 1907.

Balance of Profit and Loss Account, 31st October, 1906 .....	\$ 159,831 84
Profits for the year ending 31st October, 1907, after deducting charges of management, and making full provision for all bad and doubtful debts .....	\$1,080,138 04
	<u>\$2,139,969 88</u>

Dividend, 2½ per cent., paid 1st March, 1907 .....	\$360,000 00
Dividend, 2½ per cent., paid 1st June, 1907 .....	360,000 00
Dividend, 2½ per cent., paid 1st September, 1907 .....	360,000 00
Dividend, 2½ per cent., payable 1st December, 1907 .....	360,000 00
	<u>1,440,000 00</u>

Balance of Profit and Loss carried forward .. \$699,969 88

Since the last annual meeting branches have been opened at Medicine Hat, Alta., and Charlottetown, P.E.I., and sub-agencies at Chilliwack, B.C., Summerland, B.C., Rosenfeld, Man., Westminster Avenue (Vancouver), Hull, P.Q., St. Roch's (Quebec), Marysville, N.B., and Dundas Street (Toronto). Arrangements have also been made for opening a branch at Prince Rupert, B.C.

On 20th April last the Bank acquired the business of the People's Bank of New Brunswick, at Fredericton, N.B.

All the offices of the bank, including the head office, have been inspected during the past year.

G. A. DRUMMOND,  
President.

Bank of Montreal,  
Montreal, 2nd December, 1907.

## General Statement.

The general statement of the position of the bank, 31st October, 1907, is as follows:—

Liabilities.	
Capital stock .....	\$ 14,400,000 00
Rest .....	\$11,000,000 00
Balance of profits carried forward: .....	699,969 88
	<u>\$11,699,969 88</u>
Unclaimed dividends .....	1,898 01
Quarterly dividend, payable 2nd December, 1907 .....	360,000 00
	<u>12,061,867 89</u>
	<u>\$26,461,867 89</u>
Notes of the bank in circulation .....	\$12,500,549 00
Deposits not bearing interest .....	36,043,275 92
Deposits bearing interest .....	90,094,882 91
Balances due to other banks in Canada .....	134,193 13
	<u>\$138,772,900 96</u>
	<u>\$165,234,768 85</u>

## Assets.

Gold and silver coin current .....	\$ 7,729,734 99
Government demand notes .....	4,320,385 25
Deposit with Dominion Government required by Act of Parliament for security of general bank note circulation .....	550,000 00
Due by agencies of this and other banks in Great Britain .....	\$4,530,021 75
Due by agencies of this and other banks in foreign countries .....	3,084,813 32
Call and short loans in Great Britain and United States .....	23,341,220 00
	<u>\$ 30,956,055 07</u>
Dominion and Provincial Government securities .....	1,329,927 69
Railway and other bonds, debentures and stocks .....	9,556,819 75
Notes and cheques of other banks .....	4,820,335 09
	<u>\$ 59,263,257 84</u>
Bank premises at Montreal and branches .....	600,000 00
Current loans and discounts in Canada and elsewhere (rebate interest reserved) and other assets .....	\$105,107,113 91
Debts secured by mortgage or otherwise .....	172,527 45
Overdue debts not specially secured (loss provided for) ..	91,869 65
	<u>\$105,371,511 01</u>
	<u>\$165,234,768 85</u>

E. S. CLOUSTON,  
General Manager.

Bank of Montreal,  
Montreal, 31st October, 1907.

## The Vice-President.

The vice-president then spoke as follows:—

There is not much in the general statement, laid before you calling for special comment. Deposits not bearing interest have temporarily increased since last year \$5,200,000. Deposits bearing interest have decreased \$9,000,000; partly through the withdrawal of funds for railway construction and partly owing to our depositors making more permanent investments in securities at the present tempting low prices. There has been, however, a satisfactory and general increase in our regular deposit business through the entire Dominion. To meet the special withdrawals and to provide for the increase in our current loans in Canada, we have reduced our call loans in other countries \$6,400,000. Our profits have been satisfactory, showing \$1,180,000, as against \$1,797,000 last year. The bank premises account remains at the nominal amount of \$600,000. Every year a certain expenditure will be made on this account, and I do not see that any good object will be served by increasing the figure at which it stands.

Early in the year, in view of the approaching stringency in the money markets of the world, we slightly advanced our rates of discount, not so much with a desire to increase our profits, but more to give a practical indication to our customers of our expectations of the trend of financial affairs, and to impress upon them that in the conduct of their business they must bear it in mind, and govern themselves accordingly.

The stringency is largely the result of universal prosperity, and as a natural consequence the world has been spending more and saving less. This state of affairs will cure itself by retrenchment. When it comes suddenly, as it usually does, it brings many hardships, but we will eventually reach a much better and sounder basis, though the process may be, in the meantime, somewhat unpleasant. Still, in Canada, where we have been exceptionally prosperous for several years, we can stand a temporary reverse without serious consequences, and I do not look for a reaction on anything like the scale which we experienced in previous similar epochs.

Owing to the lateness of the crop in the North-West, the approaching closing of lake navigation, and the fact that a considerable portion of the wheat was low grade, a fear was expressed in some quarters that sufficient funds would not