

QUEBEC BANK.

Annual Meeting of Shareholders, held Monday, 6th June, 1892

Proceedings of the seventy-fourth annual general meeting of the shareholders of the Quebec Bank, held at the Banking House in Quebec, on Monday, 6th June, 1892.

Present: Sir N. F. Belleau, K.C.M.G., Messrs. R. H. Smith, J. R. Young, W. H. Carter, James Morgan, J. H. Simmons, John T. Ross, E. H. Taylor, S. J. Shaw, Edwin Jones, John Shaw, John Laird, Joseph Louis, John H. Holt and others.

The chair was taken by R. H. Smith, Esq., President; and W. R. Dean, Inspector, acted as Secretary of the meeting.

The President read the report of the Directors, and James Stevenson, Esq., General Manager, read the statement of the affairs of the Bank as on the 14th May, 1892.

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS AT THEIR ANNUAL GENERAL MEETING, HELD 6TH JUNE, 1892.

The Directors have pleasure in submitting to the shareholders the statement of assets and liabilities of the Bank, as at the close of its financial year on the 14th May last. Also Statement of Profit and Loss Account.

They report that the net profits of the past year, after making provision for bad and doubtful debts, and after deducting all charges connected with the management, amounted to \$160,188 64. The Balance of Profits from last year is brought over \$112,382 61.

The half-yearly dividend of 3 1/2 per cent. paid in December last amounted to	\$87,500 00
And a half-yearly dividend at the same rate is payable June 1	87,500 00
There has been a transfer to the Rest	50,000 00
	225,000 00
Leaving a balance at credit of Profit and Loss	\$47,871 25
The Rest is now	\$550,000 00

The business of the Bank generally since the Directors last had the pleasure of meeting the shareholders has been maintained, and although the statement of Profit Account shows a less amount at credit than that of last year, the difference is more in appearance than in reality, inasmuch as the existing loans payable with interest on demand are greatly in excess of those of 1891.

The Directors, after due consideration, have felt justified in carrying a sum of fifty thousand dollars to the Rest, leaving amply sufficient for its protection at the credit of Profit and Loss Account.

The Directors are unable to speak with any degree of certainty as to the prospects of the timber trade in Quebec this season. It is currently reported that our merchants connected with the exportation of wood goods were fairly successful last winter in effecting sales in British markets. The arrivals of deep-sea tonnage so far are in excess of those of last spring, and as the supplies from the Ottawa and other points are likely to be limited this year, it is reasonable to suppose that both square and waxy pine timber may meet with a ready sale on arrival. In December last the Canadian Bankers Association for the Dominion of Canada with which we are connected, was organized in Montreal. The objects of the Association are mainly to watch proposed legislation and decisions of the Courts in matters relating to banking, and to take action thereon; and generally to take cognizance of all other matters affecting the interests of the Chartered Banks. The best results are anticipated from the operations of the Association.

The Head Office and all the branches have been duly inspected by Mr. Dean, the Inspector of the Bank, and found in order.

The Directors have pleasure in expressing their satisfaction with the manner in which the several officers of the Bank have discharged their respective duties. All which is respectfully submitted.

By order of the Board of Directors.

ROBERT H. SMITH,

Quebec, June 6, 1892.

President.

STATEMENT OF THE AFFAIRS OF THE QUEBEC BANK AS ON THE 14TH MAY, 1892.

LIABILITIES.		
Capital Stock		\$2,500,000 00
Rest	\$550,000 00	
Reserved for interest due depositors, etc.	82,405 74	
Balance of profits carried forward	47,871 25	
	\$680,276 99	
Unclaimed Dividends	2,372 90	
Half-yearly Dividend No. 140, payable June 1, '92	87,500 00	
	770,349 89	
Notes in circulation	\$508,753 50	
Deposits not bearing interest	608,963 91	
Deposits bearing interest	5,103,540 87	
Balances due to other Banks in Canada	24,936 49	
Balances due to Agents in the United Kingdom	183,220 02	
	6,419,474 79	
	\$9,689,824 68	
ASSETS.		
Gold and silver coin	\$86,663 58	
Government demand notes	407,275 00	
Balances due from foreign countries	59,387 98	
Notes of and cheques on other banks	149,277 34	
Deposit with the Government for security of note circulation	14,857 00	
	\$717,460 90	
Loans and bills discounted, securities and other assets	\$8,675,800 99	
Debts secured by mortgage or otherwise	42,324 45	
Overdue debts not specially secured (estimated loss provided for)	50,821 63	
Real estate (not bank premises) and mortgages on real estate	31,946 17	
	8,800,893 24	
Bank premises and furniture in Provinces of Quebec and Ontario	171,470 51	
	\$9,689,824 68	

JAMES STEVENSON,

General Manager.

The General Manager, Mr. Stevenson, gave further information concerning the affairs of the Bank, and said:

It has been my custom to explain to the shareholders the several items in the Balance Sheet in order to convey to them a knowledge of the business of the Bank generally. I shall begin with the debtor side of the sheet, i.e., the liabilities, consisting first of the Capital, \$2,500,000, which has not undergone any change. Next in order is the Rest Account, which, I am glad to say, has been increased this year by an addition of \$50,000. The third item is an amount of \$82,405 74 reserved interest due depositors, which needs no explanation. The fourth is balance of Profits carried forward, \$47,871 25. This is a considerable amount to carry over. As the Directors are not apprehensive of any losses in the current loans, it was a question whether they would not have been justified in reducing it by adding

more to the Rest than they have done; but they decided to leave at credit of Profit and Loss Account an amount amply sufficient to guard against contingencies and to protect the Rest from any invasion. The second section consists of two items, viz., Unclaimed dividends, \$2,372 90 and half-yearly dividend No. 140, \$87,500—neither of which need any explanation; but the third section comprises items of importance, to wit: Notes in circulation, \$508,753 50, which are rather in excess of those of last year at this time. Deposits not bearing interest, \$608,963 91; deposits bearing interest, \$5,103,540 87; balances due to other banks in Canada, \$24,936 49, and balances due to Agents in the United Kingdom, \$183,220 02, none of which need any explanation, save the last item, which represents our indebtedness to our correspondents in London, the Bank of Scotland, who hold our Dominion Government and other sterling bonds amounting to over half a million of dollars.

Having passed in review all the items constituting the liabilities, I turn to the statement of assets, to the gold and silver coin on hand, \$86,663 58, to Government demand notes, i.e., legal tenders, \$407,275, together \$493,938 58, an amount which we consider an ample cash reserve to meet demands that may be made upon the Bank, under any circumstances, here or at its branches.

The following items, viz.: balances due from foreign countries, \$59,387 98, notes and cheques on other banks, \$149,277 34; deposit with Government for security of Note circulation, \$14,857, need no comment. The second section of the Assets column includes, first: Loans and Bills discounted, securities and other Assets, \$8,675,800 99. On referring to the statements respectively of the fiscal years, 1890 and 1891, it will be seen that this sum is largely in excess of the similar items in those years, showing that the business of this Bank, so far from shrinking, is manifestly increasing. Allow me to submit an analysis of this important item in the Balance Sheet, in order to show how the resources of the Bank are employed in connection with business in the Provinces of Ontario and Quebec. Advances have been made as follows:

To firms connected with the timber trade and lumber business	\$1,222,059 00
To firms connected with general business, dry goods, hardware, etc.	1,584,559 00
To firms engaged in the shipment of grain and produce generally	580,712 00
To firms connected with manufacturing interests	1,139,752 00
To firms connected with Government contract and railway business	391,235 00
To corporations and municipalities	558,492 00
	\$5,477,409 00
Then we have out in call Loans, secured by Bonds and Stocks of undoubted character, with ample margins	2,584,471 00
And we hold Dominion of Canada Sterling Bonds, and other high class Municipal Sterling Bonds amounting to	613,917 99
	\$8,675,800 99
In 1890 the Loans, etc., amounted to	\$7,998,017 00
In 1891	8,095,789 00
The present year as above	8,675,800 00

I may mention incidentally that when I was appointed Cashier, or General Manager of the Quebec Bank, the total loans amounted to \$2,512,000; the circulation of its notes, \$384,000; the deposits, \$937,000.

Continuing my remarks on the Assets, I have only three items now to discuss, viz.:

Debts secured by mortgage	\$42,324 45
Overdue debts (loss provided for)	50,821 63
Mortgages on real estate	31,946 17

All sufficiently defined.

The item, Bank Premises, etc., is well represented by properties held in fee simple in the Provinces of Quebec and Ontario.

Having completed my remarks concerning the business of the Bank, I take pleasure in alluding to the staff, which consists of fifty-four employees, comprising several men of experience in the business of banking, and also a number of young men who, in the discharge of their duties, are acquiring a knowledge of the business. The Directors receive semi-annual reports from the several managers respecting the capacity, industry, habits and conduct of those under them; not only of their conduct while on duty, but, as far as can be ascertained, also when off duty. The Dominion Bankers' Association have offered prizes of some value for the best essays on financial subjects, to be competed for by junior members of the Association. It is to be hoped that some of the younger employes of this Bank may be induced to enter the lists as competitors.

Moved by R. H. Smith, Esq., President, seconded by Sir N. F. Belleau, K.C.M.G., That the report and statements now read be adopted.

The President, in moving the adoption of the report, said he could add nothing to the able and lucid remarks of the General Manager on the statements of the Bank, beyond expressing the opinion that it must be a matter of gratification to the shareholders to see the Bank in such a strong position and its business gradually but surely extending.

Moved by Major Morgan, seconded by E. H. Taylor, Esq., That the thanks of this meeting be given to the President, Vice-President and Directors for their valuable services during the past year.

Moved by E. Jones, Esq., seconded by Joseph Louis, Esq., That the thanks of this meeting be given to the General Manager, Inspector, Managers and other officers of the Bank for the efficient manner in which they have discharged their duties.

To which Mr. Stevenson replied: On behalf of the staff I have to thank you, gentlemen, for this friendly expression. I assure you that, notwithstanding its apparent formality, it is always greatly appreciated; besides it gives me an opportunity, as chief executive officer, of confirming the favourable statement in the report relating to the staff, and of assuring you that I believe every employe in this Bank, in his special sphere of duty, does his best to protect and to promote the interests of the shareholders.

At the request of the Chairman, Major Morgan and Mr. E. H. Taylor consented to act as scrutineers of the ballot, and it was

Moved by Captain Carter, seconded by John Laird, Esq., That the ballot box be now opened and remain open until 4 o'clock this day for the election of Directors, and that if five minutes elapse without a vote being cast the scrutineers be empowered to close the ballot box.

The President having vacated the chair, and Mr. Stevenson having been called thereto, it was

Moved by John H. Holt, Esq., seconded by John Shaw, Esq., That the thanks of this meeting be given to Mr. R. H. Smith for his services in the chair.

The scrutineers subsequently reported as the result of the ballot the following gentlemen elected as Directors for the ensuing year, viz., Sir N. F. Belleau, K.C.M.G., William Withall, Esq., R. H. Smith, Esq., John R. Young, Esq., G. R. Renfrew, Esq., S. J. Shaw, Esq., and John T. Ross, Esq.

Moved by John T. Ross, Esq., seconded by John R. Young, Esq., That the thanks of this meeting are hereby given to the scrutineers for their services.

WM. R. DEAN,

Secretary.

HE that studies books alone will know how things ought to be; and he that studies men will know how things are.—Colton.

THE bird is cautious not to alight on the special net when it beholds another bird in the snare: take warning by the misfortune of others, that others may not take example from you.—Saadi.

SING of the nature of women, and then the song shall be surely full of variety—old crotchets and most sweet closes. It shall be humorous, grave, fantastical, amorous, melancholy, sprightly—one in all, all in one.—Marston.

THE ONTARIO MUTUAL LIFE.

ANNUAL MEETING.

The 22nd Annual Meeting of The Ontario Mutual Life Assurance Company was held in the Town Hall, Waterloo, Ont., on Thursday, May 26th, 1892, at one of the clock p.m. As usual on such occasions a large number of prominent and representative policy holders were present from various parts of the Dominion, all of whom manifested a deep interest in the proceedings.

The President, Mr. I. E. Bowman, M.P., having taken the chair, supported by the Manager, Mr. Wm. Hendry, on motion of Mr. W. H. Riddell, the Secretary of the Company, acted as secretary of the meeting. Having read the notice calling the Annual Meeting, on motion the minutes of last annual meeting were taken as read and adopted, whereupon the President read

THE DIRECTORS' REPORT.

GENTLEMEN,—Your Directors have much pleasure in submitting the following Statements to you as their report on the financial position of the Company as at the 31st December, 1891.

During the past year 2,019 policies were issued for assurance amounting to \$2,694,950, being an increase of \$346,800 over the previous year.

The total number of policies in force at the close of 1891 is 11,621, covering assurance for \$14,934,807.38 on 10,504 lives.

The premium income for the year is \$456,706.65, and we received for interest on investments the sum of \$90,913.46, making our total income \$547,620.

The total assets of the Company have now practically reached two million dollars, and our surplus to the credit of policy holders is \$155,559.23.

The Executive Committee has again carefully examined the investments and found the securities all in good order.

You will be called on to elect four Directors in the place of B. M. Britton, Q.C., of Kingston, F. C. Bruce, Esq., of Hamilton, John Marshall, Esq., of London, and J. Kerr Fiskien, Esq., of Toronto, all of whom are eligible for re-election.

I. E. BOWMAN,

President.

Copies of the Financial Statement for the year 1891, containing a detailed account of Receipts and Expenditures, of Assets and Liabilities, certified by the Auditors, having been distributed, the President moved the adoption of the Reports. He pointed out that the increase of new business over 1890 was \$346,800, while the expense ratio was less than the previous year; that the total amount of assurances on the Company's books, Jan. 1st, 1892, was nearly \$15,000,000, a net gain for the year of \$1,224,000; that substantial gains were made, not only in items above referred to, but in Cash Income, in amount paid to policy holders, in Reserve for the security for policy holders, in total assets and in surplus over all liabilities, while the death losses were much less than the expectation and the lapse ratio was only about two-thirds of that of the previous year. He congratulated the members on the steady and healthy growth of the Company and on its high financial standing, second to none in Canada. He was pleased to see so many policy holders and agents present, showing the deep interest taken by them in the prosperity of the Company. Concerted and harmonious action between the Head Office and its agents, which happily existed, and a faithful conservation by all of the Company's interests in all matters affecting its welfare, would ensure a continuance of the gratifying success that has marked its career during the past twenty-two years.

Mr. R. Melvin, 2nd Vice-President, supported the motion. He cordially endorsed what the President had said concerning the undoubted prosperity of the Company, and the large share the agents had in bringing it about. The decline in the lapse rate was a noticeable feature of the year's operations, and, taken in connection with the low death ratio, afforded convincing proof of the wise and prudent selection of risks. The falling off in the interest rate on recent investments as compared with former years, though common to all companies, would, he hoped, be counterbalanced by savings from mortality and rigid economy in every department of the business, thus enabling the Company to continue its liberal distribution of surplus as in past years. Others having spoken, the various reports were unanimously adopted.

On motion, Mr. Geo. Wegenast, Waterloo, and Mr. Charles Leyden, Hamilton, were appointed scrutineers. The balloting resulted in the re-election of Messrs. B. M. Britton, John Marshall, Francis C. Bruce and J. Kerr Fiskien for the ensuing term of three years.

Messrs. Henry F. J. Jackson and J. M. Scully, having been re-elected Auditors, and the customary vote of thanks to the Board, the Officers and Agents, having been tendered and responded to, the meeting was brought to a close. The Directors met subsequently and re-elected I. E. Bowman, President; C. M. Taylor, 1st Vice-President, and Robert Melvin, 2nd Vice-President of the Company for the ensuing year.