

In making this motion I shall confine myself to but few remarks. In view of the depression which has so long existed, I can hardly suppose that you could have anticipated a more satisfactory result. Looking at the state of things abroad, we in Canada have to congratulate ourselves that a large proportion of our people are engaged prosperously in agricultural pursuits. The agricultural industries have not had the same reason to complain as the so-called industrial pursuits. We have a new land recently opened up to which people are emigrating. I do not think we have so very much cause to complain. (Cheers.) With regard to our own business I can only say our deposits have increased, our expenses have decreased and had there been no losses caused by depression we might have been able to give you the good dividends which it has been our earnest desire to do. Our general wish in regard to the affairs of the Bank is to pursue a conservative policy, in which, I think, we have been tolerably successful. (Hear, hear). Before concluding, I must speak of the great satisfaction we have derived from the cordial feeling of co-operation which exists between our colleagues of Toronto and ourselves. With these few remarks, I beg to move the adoption of the report. (Cheers.)

The motion was seconded by Mr. Anderson who, while he had pleasure in seconding the motion, hoped that prospects would improve in the future, and that when they met to consider the annual report next year it would be a much better one. All were aware of the depression that exists, and had existed for some time past. He felt, however, that they could look forward to brighter days in store for them.

Sir Francis Hincks asked if any other gentleman wished to make any remarks upon the report, and in reply to a gentleman, said the statement was printed and distributed and is perfectly well-known to all the members of the Stock Exchange. I will just observe that it is very difficult to undertake to send these statements to all the shareholders, but any gentleman sufficiently interested in the matter would find it perfectly easy to get it.

Mr. Stoddart—I should be glad to know how much the directors have appropriated for bad and doubtful debts for the last year.

Sir Francis Hincks—I will undertake to assure the gentleman that any information on such points he chooses to apply for privately he shall have.

The report was then adopted.

It was then moved by Sir Francis Hincks, seconded by Mr. St. Denis, that by-law No. 2 be amended by striking therefrom the word "four" and substituting the word "three" and explained, as the reason for this motion, that a season was approaching during which many gentlemen would be absent from the city, and as the number of directors resident in Montreal had been reduced, it was expedient to reduce the quorum.

With this explanation the motion was put and unanimously adopted.

Sir Francis Hincks desired to call the attention of the meeting to a suggestion he had been asked to make, that Mr. John L. Blaikie's name be substituted for that of Mr. Hugh McLennan, who, from inability to continue his services was not a candidate for re-election. He explained that Mr. Blaikie belonged to the local Board of Toronto, and that the directors deemed it of importance and were anxious that the members of the local Board of Toronto should be members of the General Board also, and, with the concurrence of the shareholders, the directors proposed Mr. Blaikie as a candidate for election.

The report of the scrutineers, stated that the following gentlemen were duly elected Directors for the ensuing year:—

Sir Francis Hincks, William Thomson,
Hon. A. Campbell, John Grant,
D. Galbraith, Hugh Mackay
W. W. Ogilvie, John Rankin,
R. J. Reekie, John L. Blaikie.

The Directors afterwards met and elected Sir Francis Hincks, President, and Mr. R. J. Reekie, Vice-President.

ONTARIO BANK.

The twenty-first annual meeting of the Shareholders of the Ontario Bank, was held at the Banking House, Toronto, on Tuesday the 11th, day of June, 1878. The chair was taken by the Hon. John Simpson, President, who, after the appointment of D. Fisher, Esq., as Secretary read the following

Report.

The Directors have to present to the shareholders their twenty-first annual report and statement of the year's business:—

The balance of profit and loss account carried forward from last year was..... \$ 6,881 64
The profits of the year ending 31st May, 1878, after deducting expenses of management and accrued interest on deposits, were.. 289,591 54

From which have been paid:—
Dividend No. 41, four per cent, 1st December, 1877 \$119,870 24
Dividend No. 42, three percent., 1st June 1878 89,902 68

..... \$209,772 92
Amount taken from reserve..... 300,000 00

..... \$386,700 26
Amount appropriated for bad and doubtful debts..... \$365,000 00

Balance remaining at credit of profit and loss account, carried forward \$ 21,700 26

The above statement shows that the profits of the past year were sufficient to pay dividends amounting to seven per cent, and to add \$79,818-62 to the profit and loss account.

The Directors regret that the general depression in every branch of business, including the lumber trade, in which several of the bank's customers are largely engaged, has continued during the year, not only throughout Canada, but in those countries with which we are most intimately connected in trade.

Their earnest attention had been devoted to the examination and consideration of the accounts at the head office and the branches, with the purpose in view of ascertaining with accuracy what losses have been incurred, and arriving at the true position of the business of the Bank; and they have decided that all ascertained losses be written off, besides making full provision for all doubtful debts. To accomplish this it has been necessary to take the sum of \$300,000 from the reserve and carry the same to the profit and loss account.

The Directors regret exceedingly the circumstances necessitating so large a provision for bad and doubtful debts, but have deemed this and the reduction of the dividend to be the proper course for action and their duty towards the Shareholders of the Bank. They believe the present time, when there are indications of a gradual and general revival of business, to be a fitting opportunity for making these appropriations, and placing the affairs of the Bank upon a sound basis. Such as shall warrant the ex-

pectations of better results and satisfactory dividends in the future.

A by-law to change the day of the annual meeting of Shareholders from the second to the third Tuesday in the month of June in each year, will now be submitted for your approval, which, if adopted, will hereafter give your Directors sufficient time to prepare their statements to the close of the year's business, and to furnish the Shareholders with copies of their report some days in advance of the annual meeting.

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

All of which is respectfully submitted.

JOHN SIMPSON,

President.

Ontario Bank, Toronto, June 11th, 1878.

GENERAL STATEMENT, 31ST MAY, 1878

Liabilities.	
Capital Stock paid up.....	\$2,996,756 00
Reserve.....	100,000 00
Profit and Loss...	21,700 26
Interest Reserved	30,474 79
Dividends unclaimed.....	2,546 60
Dividend No. 42, payable 1st June	89,902 68
	<u>\$3,241,380 33</u>
Notes of the Bank in Circulation..	758,443 00
Deposits not bearing interest....	1,581,116 08
Deposits bearing interest.....	1,295,479 85
Balances due to other Banks. ...	260,155 65
	<u>3,895,194 58</u>
	<u>\$7,136,574 91</u>
Assets.	
Specie	\$186,162 83
Dominion Notes...	544,476 00
Notes and Cheques of other Banks..	138,658 25
Balances due from other Banks....	132,643 99
	<u>\$1,001,941 07</u>
Government Debentures	2,000 00
Loans and Bills Discounted Current	5,714,467 84
Bills discounted and Debts, over due (estimated loss nil.).....	72,707 87
Debts overdue, secured by Mortgage and other securities.....	89,348 47
Bank Premises....	195,663 21
Other Assets	71,446 45
	<u>6,134,633 84</u>
	<u>\$7,136,574 91</u>

D. FISHER,

General Manager.

Ontario Bank, Toronto,
31st May, 1878.

It was moved by the Hon. John Simpson, and seconded by the Hon. W. P. Howland, that the report be adopted. Carried.

Moved by Joseph Mackay, Esq., seconded by Jas. H. Morris, 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. Carried.

Moved by W. R. Oswald, Esq., seconded by W. W. Renwick, Esq., that the by-law now read for changing the day of the annual meet-