

The Provincial Bank of Canada

The Seventeenth Annual General Meeting of the Shareholders of the Bank was held at the Banking House, Place d'Armes, Montreal, on the 24th January, 1917, at twelve o'clock noon.

The meeting was presided over by M. H. Laporte, and the General Manager, M. Tancrede Bienvenu, was acting as Secretary.

The Report of the Directors, the Statement of the result of the year, and the General Annual Statement at the close of business on the 30th of December, 1916.

Gentlemen:—

We have the honor to place before you our Report for the financial year 1916, and to submit the accounts for your approval.

We have no doubt that the Profit and Loss Account and the figures of the Annual Statement are satisfactory to you. In 1910, the Bank's assets amounted to nine millions, to-day they exceed eighteen million dollars, while its obligations to the public, deposits, etc., reach the sum of sixteen million, six hundred thousand dollars, being an increase of more than four million dollars over last year.

Following the prudent course of which you have always approved, and in order readily to meet all demands, your Directors have endeavored to maintain the different items of the Bank's assets in the highest degree of liquidity and to have as large an amount of cash on hand as possible; the liquid assets appearing in the statement, amounting to over eleven million dollars, are proof of this. This method of administration is of considerable advantage and deserves the public confidence shown by the constant and notable increase in deposits made with the Bank.

Like all other banks in Canada during the last year, your Bank has been called upon to purchase Dominion Treasury Bonds, in connection with the Imperial Munitions Loan, and its subscriptions amount in all to the sum of (\$2,440,000); two million, four hundred and forty thousand dollars.

The net profits earned (\$203,983.81), two hundred and three thousand nine hundred and eighty-three dollars and eighty-one cents, amount to more than twenty per cent. of the paid-up capital, showing the profits that the management has been able to realize from the increased deposits. Thanks are due to the public and particularly to the depositors for the confidence manifested in the Bank.

From the profits of the year, fifty thousand dollars have been added to the Reserve, which now amounts to seven hundred thousand dollars; there has also been reserved a sum of twenty-five thousand dollars to create a Pension Fund for the Bank's officers and employees. We are convinced as to the correctness of this course, because you will feel as we do, that there is an obligation on the part of every important institution to recognize the faithful and valuable service of employees, whose life-long occupation is given exclusively to it. It is therefore a duty henceforward to contribute our share for the support of the Bank's employees in their old age. During the past year, five thousand dollars was subscribed to the Patriotic Fund, and we are confident

you will approve of this contribution in the light of national duty. Finally, a sum of sixteen thousand dollars was written off the cost of furniture, bank premises and other real estate of the Bank; this is a measure of prudence adopted by all banks.

The Bank has now eighty-one branches, fourteen of which are in the City of Montreal and sixty-seven in the cities, towns and villages of the Provinces of Quebec, Ontario and New Brunswick. Nine new offices were opened during the course of last year, at Brownsburg, Fraserville and Gentilly, in the Province of Quebec; at Rockland, Tilbury, Stony Point and St. Joachim, in the Province of Ontario; and at Bathurst and Norton, in the Province of New Brunswick. We closed three offices last year.

The Head Office and all the Branch Offices were visited by the Inspectors during the year, and a special report as to each office was made to the Directors. Moreover, as required by law, the two Auditors named by the Shareholders at the last meeting, Messrs. J. A. Larue and Alexandre Desmarteau, have examined and compared the Annual Statement with the books of the Head Office and the certified reports of the Branch Offices. The copy of their certificate, forming part of the present report, expresses their entire satisfaction as to the business of the Bank.

Notwithstanding the succession of extraordinary events since the war broke out, the year 1916, like the preceding year, must be considered on the whole as quite satisfactory, from an agricultural, commercial and industrial point of view. The period of high prices through which we are passing is exceptionally favorable to the farmers, our foreign trade has never been better, exports exceeding all anticipations, our industries are most prosperous, and labor is well paid. The labor class in Canada was never in receipt of such high wages.

This condition of things, most favorable while it lasts, is full of uncertainty, and this uncertainty should make our people more prudent. Every class in the community should practice economy, and provide for bad times. We should help with our savings the consolidation of our constantly increasing national debt, so as to come to the assistance of the Mother Country in these days of stress through which she is passing.

To the Bank's staff we pay the same tribute as in other years. The results of the year are due in great measure to the work of your officers and employees, and we are glad to offer them, on your behalf, the thanks they so well deserve.

For the Board of Directors:

(Signed) H. LAPORTE.

All the Directors were re-elected: MM. H. Laporte, W. F. Carsley, G. M. Bosworth, Hon. Alphonse Racine, L. J. O. Beauchemin and Martial Chevalier.

At a subsequent meeting of the Board of Directors, Mr. H. Laporte was re-elected President, and MM. W. F. Carsley and Tancrede Bienvenu Vice-Presidents.

SHAREHOLDERS' AUDITORS' CERTIFICATE.

To the Shareholders of THE PROVINCIAL BANK OF CANADA.

In accordance with the provisions of sub-sections 19 and 20 of section 56 of the Bank Act, we report to the Shareholders as follows:

We have examined the above Balance Sheet with the Books at Head Office and with the certified returns from the branches. We have obtained all the information and explanations that we have required and are of opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In addition to our verification as on December 30th, 1916, we have during the year checked the Cash at the Chief Office and verified the securities representing the investments of the Bank at its Head Office and principal branches, and found them to agree with the Books of the Bank.

The above statement, to which reference is made in the report of the Directors, is properly drawn so as to exhibit a true and a correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us as shown by the books of the Bank.

Montreal, January 18th, 1917.

(Signed) ALEX. DESMARTEAU, L.I.C., Montreal.
J. A. LARUE, C.A., Quebec.