

1860.

# BANK OF MONTREAL.

## ANNUAL GENERAL MEETING,

*Held June 4th, 1860.*

### BANK OF MONTREAL.

The annual meeting of the Shareholders of the Bank of Montreal was held at their Banking House, Place d'Armes, yesterday at one o'clock.

T. B. Anderson, Esq., Vice-President, occupied the chair.

Among the Shareholders present we noticed Sir George Simpson, the Hon. Mr. Crawford, the Hon Judge Gale, Mr. Sheriff Boston, Dep. Com. Gen. Lane, Dr. Campbell, Messrs. T. Ryan, Jas. Logan, W. Macrae, W. Molson, J. Redpath, H. Thomas Chas. Phillips, James Torrance, W. Murray, F. Griffin, Robt. Anderson, A. Clerk, B. Holmes, J. Dods, D. L. Macdougall, B. Hutchins, H. O. Andrews, John Smith, D. Torrance, W. Rae, L. H. Holton, T. Hart, Jas. Court, J. Crawford and others.

Moved by Deputy Commissary General Lane, seconded by Sheriff Boston:

That the following gentlemen be appointed to act as scrutineers:—Messrs. James Court, William Rae, and Alexander Clerk, and that Mr. Thomas Lee be the Secretary of this meeting.

Mr. ANDERSON in opening the proceedings, said that he had again this year to express his sincere regret at being called upon to fill that place, owing to the ill-health of the Hon. Mr. McGill. A regret in which he knew all the Shareholders would participate. (Hear.) With respect to the affairs of the Bank he need only refer them to the report of the Directors which Mr. Davidson was about to read. He could not congratulate them upon any extraordinary return of previous prosperous times, but upon a safe, carefully managed business, yielding the usual dividend without any deduction from the Rest.

Mr. DAVIDSON then read the following REPORT OF THE DIRECTORS TO THE SHAREHOLDERS AT THEIR FORTY-SECOND ANNUAL GENERAL MEETING, HELD 4TH JUNE, 1860.

In several of the recent reports submitted to the stockholders of the Bank of Montreal, the Directors have had occasion to advert prominently to the depressed state of the trade and business of the country as exerting an unfavorable influence upon its monetary institutions.

The Directors, in now presenting their Forty-second Annual Report, have to express regret that they again meet the shareholders under very similar circumstances, another year having passed without any marked or general improvement having taken place in commercial affairs, while large and important sections of the Province continue to suffer from monetary embarrassment and inactivity in business.

The Agricultural and other products of the country can alone afford the desired relief, and it is a matter for congratulation that there is no cause to deplore, as in previous years, a recurrence of a deficient harvest. The crops gathered in last season were, in most districts, much more productive, and all kinds of grain have found a ready market at remunerating prices.

The Timber trade was extensive and, upon the whole, successful, and from these and other sources the Province has, no doubt, been materially benefitted, altho' not to the extent that was probably anticipated, or to such a degree as would indicate any rapid return to general prosperity.

The transition from so wide-spread and protracted a state of depression to the full vigor of commercial activity, must necessarily be the work of time, but the Directors are encouraged to hope that a favourable change has already commenced in many parts of the country. Abundant harvests combined with economy in expenditure, and industry and enterprise in developing the resources of the Province, cannot fail gradually to remove existing

difficulties, and open a wider and safer field for the employment of banking capital.

The present year has not opened with much greater promise of progress and improvement, but the business which is being transacted, although restricted in extent, partakes of a sound and healthy character: greater caution appears to be observed in commercial transactions, and there is an entire absence of imprudent speculation.

A large quantity of timber has been manufactured during the winter, and the markets of Great Britain and the United States are favourable for this important article of export.

The anxiety which was some weeks ago felt with regard to the Autumn Wheat has been very much removed; farming operations have been carried on with advantage during Spring, and the reports received from various parts of the Province, both as regards the quantity of wheat sown, and the present appearance of all the Crops, are very encouraging. Should the approaching harvest be even as productive as the last, the effect upon every branch of trade will be very beneficial.

A general statement of the position of the Bank at the close of the financial year, is submitted in the usual form, for the information of the shareholders.

The final payments upon the capital stock of the Bank have been made, thus completing the amount of \$5,000,000, (£1,500,000.)

The Directors have to report that the business of the Bank, during the past year, has been as satisfactory as the circumstances of the country gave any warrant to expect, the rate of profit having been as high as during any year since 1856.

The losses from bad debts, arising out of the current business, have been inconsiderable, but new appropriations have been necessary in order to cover deficiencies connected with former dependencies. The Directors have, however, had it in their power to make adequate provision for these, as well as for debts which have been considered doubtful, from the profits of the year, without making any reduction in the rate of dividend and without encroaching upon the Rest.



The Report submitted to the last General Meeting showed a balance at the credit of the

Profit and Loss Accounts .....	£3,179 12 2	\$12,718.43
The Net Profits of the year, after deducting all the expense of management, and making provision for bad and doubtful debts, amount to.....	£125,826 6 10	\$503,305.38
Less Tax paid to Government,	2,507 10 11	\$493,275.19
Out of which two half-yearly dividends have been paid to the Shareholders at the rate of 4 per cent., amounting to.....	£126,498 8 1	\$505,993.62
Leaving an unappropriated balance of .....	119,725 15 0	478,903.00
	£6,772 13 1	\$27,090.62

The balance has been carried forward to the present year, together with the Rest of \$740,000. (£185,000.)

The above statement, the Directors feel confident, will be satisfactory to the Shareholders, and they hope that reviving commerce will, at no distant period, afford an opportunity of still more safely and profitably employing the resources of the Bank.

The Shareholders are no doubt aware that resolutions were recently introduced to the Legislature, by the Government, upon the subject of Currency and Banking.

Any changes affecting the monetary system of the country must, at all times, give rise to much anxiety, more especially if the principles upon which they may be based, have not received elsewhere the sanction of successful experience.

The Directors are therefore gratified that the proposed measure has not been proceeded with, and they entertain the hope that before the existing system is seriously disturbed, the whole subject, which is of such manifest importance to the welfare of the community, will receive the fullest investigation.

It only remains for the Directors to inform the Shareholders that they have received, with much regret, from the Hon. Mr. McGill, an intimation that, in consequence of the impaired state of his health, he finds it necessary to decline re-election to a seat at the Board of Direction.

The Directors cannot make this announcement without bearing their testimony to the value of Mr. McGill's long continued services in connection with the Bank. He first became a member of the Board in 1819. In 1830 he was elected to the office of Vice-President, and since 1834, a period of twenty-six years, Mr. McGill

has occupied the position as President of the Bank.

The circumstances which have at length led to the retirement of their respected colleague, the Directors feel assured will call forth an expression of sympathy from the shareholders.

Moved by the Hon. G. Crawford, seconded by John Torrance, Esq.:

That the report of the Directors now read be adopted, and printed for distribution amongst the Stockholders.

In moving the adoption of the report the Hon. Mr. CRAWFORD said, he thought the report just submitted was much more favorable than could have been expected seeing the hard times the country had just passed through. Eight per cent. was a good interest for one's money at any time.

It was true that by withdrawing his money from the bank and lending it on mortgages nearer home he could get the promise of ten per cent.—but the difficulty was to get it in. Eight per cent which they could have paid to them by the bank when they asked for it was better than ten per cent. with the chance of being compelled to call in the assistance of the sheriff. He hoped the hard times which had troubled them were about closed. The prospects of the country were brightening. Everewhere they heard of good crops growing up. In his neighborhood they had never seen them look so well. But he hoped that these hard times had taught the directors of all the banks a lesson of caution which they would not forget when prosperous days came back. With regard to the measure introduced by the Finance Minister to establish an institution commonly known as the Bank of Issue, he had been prepared to oppose that measure in his place in Parliament had it come up to the Legislative Council, and was much pleased when Mr. Galt consented to withdraw it. But he hoped that in the interval, before the next session, the Finance Minister and the officers of the several banks might come to an understanding with reference to some measure which would be satisfactory to all parties and settle the banking system of the country upon an entirely satisfactory basis.

One other topic mentioned in the report called for some comment. No man who knew the Hon. Mr. McGill would hear of his retirement from the Board and the cause of it without the most profound regret. For his part, he felt he was losing on the board a very true friend and a most faithful and excellent officer of the Institution. He hoped the shareholders would not separate without some mark of their appreciation of his long and most valuable services. And before the resolution was put, he desired just to say one word about the filling up of the vacancy. He had had some conversation with some of his fellow shareholders, and he and they were of opinion that, so long as Mr. McGill filled the place they would never have spoken of a reduction of his allowance, it might yet be better that hereafter a mere chairman of the Board should be appointed with but a small allowance in addition to that made him for attendance at Board meetings as a Director. And they also thought it best that a man should be selected, not actively engaged in business.

The VICE-PRESIDENT said the views of the Board entirely coincided with Mr. Crawford's.

Moved by William McCrae, Esq., seconded by Chas. Phillips, Esq.:

That the thanks of the meeting be presented to the President, Vice-President, and Directors for their attention to the interests of the Bank.

Moved by William Molson, Esq., seconded by Robt. Anderson, Esq.:

That this meeting has heard with sincere regret the announcement that the Hon. Mr. McGill is unable, in consequence of impaired health, to continue longer his official connection with this Bank, and deeply sympathize with him in the circumstances which render his retirement necessary.

That the Directors are hereby instructed to convey to Mr. McGill the sentiments of sympathy, esteem, and respect, entertained by the meeting, and are authorised to appropriate the sum of two thousand dollars for the purpose of presenting him with a testimonial commemorative of his long services as President, and Director of the Bank.

Moved by Hon. Judge Gale, seconded by John Dods, Esq.:

That the thanks of the meeting be given to D. Davidson, Esq., the Cashier, to the Inspector, Managers, Agents, and other officers of the Bank, for their services during the past year.

GENERAL STATEMENT.

Capital Stock paid up .....	£1,500,000 0 0	\$6,000,000 00
Overdrawn .....	364,382 7 6	225,752.50
Deposits .....	782,813 4 6	313,125.90
Dividends unclaimed .....	4526 7 1	1,810.52
Half-yearly Dividend, 4% 1st June, 1860.	59,986 7 4	239,945.46
Rest .....	185,000 0 0	740,000 00
Balance of Profits carried forward .....	6,772 13 1	27,090.62
Gold and Silver Coin on hand .....	£310,348 0 19	\$1,241,392.30
Government Securities .....	235,530 18 3	942,363.64
Balances due by other Banks .....	150,566 0 0	602,254.00
Notes and Cheques of other Banks .....	332,561 11 9	1,330,246.35
Bank Premises at Montreal and at Branches and Agencies .....	2,551 16 7	10,224.73
Notes and Bills Discounted, and other debts due to Bank not included under foregoing heads .....	9,444 17 4	37,779.47
	£310,348 0 19	\$1,241,392.30

BANK OF MONTREAL, Montreal, 30th April, 1860.

The Scrutineers reported the following gentlemen as elected Directors for the ensuing year:—

- T. B. Anderson, Esq.
- Benjamin Holmes, Esq.
- James Logan, Esq.
- John Redpath, Esq.
- Hon. John Rose,
- Thomas Ryan, Esq.
- Sir George Simpson,
- Henry Thomas, Esq.
- David Torrance, Esq.

