

# 1861.

## BANK OF MONTREAL.

### ANNUAL GENERAL MEETING,

HELD 3rd JUNE, 1861.

(From THE GAZETTE of 4th June, 1861.)

The Annual Meeting of the Shareholders of the Bank of Montreal was held at the banking house in this city yesterday.

Mr. T. B. Anderson, President, in the chair.

Upon the motion of George W. Campbell, M.D., seconded by Alex. Simpson, Esq., the following gentlemen were appointed to act as Scrutineers:—Henry O. Andrews, Esq., Jackson Rae, Esq., T. M. Taylor, Esq.

After some introductory remarks by the Chairman,

The Cashier read the following report:

#### REPORT OF THE DIRECTORS TO THE SHAREHOLDERS AT THEIR FORTY-THIRD ANNUAL GENERAL MEETING, HELD 3RD JUNE, 1861.

The Directors have pleasure in again meeting the Shareholders, and in placing before them their forty-third Annual Report and the usual statement of the assets and liabilities of the Bank at the close of its financial year.

The report presented at the last annual meeting exhibited a balance at the credit of the

Profit and Loss account of...	£ 6,772 13 1	\$ 27,090 62
The Net Profits of the year, after deducting the expense of management, and making provision for bad and doubtful debts, amount to	£125,454 18 9	\$501,319 74
Less tax paid Govt.	2,387 13 9	123,067 5 0
		9,550 75
	129,839 18 1	492,268 99
Out of which twohf-yearly dividends have been paid to the Shareholders at the rate of 4 per cent., amounting to	120,000 0 0	480,000 00
Leaving an unappropriated balance of...	£ 9,839 18 1	\$39,359 61

to be carried forward to the present year.

This result of the transactions of the year is as favorable as your Directors

had reason to anticipate, from the depression and inactivity which continued to affect the trade of the country, rendering it difficult to employ the resources of the Bank profitably, and at the same time with a due regard to safety. The increased demand for money during the last six months, in connection with the movement of the grain crop, and for lumbering operations, in some degree obviated this disadvantage, and the opportunity was availed of to as great an extent as appeared to be consistent with prudence.

More than an average amount has been required to meet the losses sustained by the Bank from failures which occurred during the year, and from depreciation in the value of former dependencies.

After several years of commercial difficulty, the period embraced by the above statement was entered upon with expectations of better and more prosperous times, which have not been entirely disappointed.

The last harvest was, happily, a very productive one, and must undoubtedly exert a beneficial influence upon the general interests of the country, which has, however, been in some measure retarded by the unusual severity of the winter. The very abundant crops in the United States, and the political difficulties in which that country is involved, have also interfered with a valuable and ready market for the agricultural and other products of the Province.

The lumber trade of 1860 was extensive and profitable. The exports were upon a considerably larger scale, and embraced a wider range, while the importations bore a sounder relative proportion to the value of the former, than during several preceding years in which they had been greatly in excess. Since the beginning of the present year a large quantity of grain has been purchased from the farmers at remunerative prices. The expenditure connected with operations in the woods has also been considerable.

From these favorable circumstances it might naturally have been anticipated that your Directors would have had it in their power to congratulate the shareholders upon the appearance of a marked revival in the general trade of the country.

The desired relief has, however, been only partially developed, and while the farming interests have been benefitted and several branches of commerce and industry stimulated and improved, great difficulty is still experienced by importers and wholesale houses in recovering payment from their customers throughout the country, of indebtedness which should have been long ago discharged; affording additional evidence of the derangement which has for some time existed, and also of the extent to which over-trading had been carried, fostered by a system of too extended credit. It is to be apprehended that the experience of the past has failed to impose a sufficient check upon competition between importing houses. The spring importations have exceeded the wants of the country, and goods have been extensively pressed upon the market, the effect of which must necessarily be to delay the removal of existing difficulties and the return of trade to a sound and healthy condition.

The business of banking has been conducted during the last four years under disadvantageous circumstances. The profits have been diminished, and large appropriations have been required to meet the losses arising from bad debts. The Directors consider that they have reason to be satisfied with the measure of success which has attended the operations of this establishment during so critical a period.

No addition, however, has been made to the Rest, which remains at (£185,000) \$740,000, and in the present state of affairs it has not been deemed advisable to carry to that fund the unappropriated balance of (£9,839 18s. 1d.) \$39,359.61 which the report exhibits at the credit of the Profit and Loss Account.

The Directors have always advocated the maintenance of a large reserve, as essential to the stability of the Bank, and conducive to the true interests of the shareholders. It is the existence of this fund which has enabled the Directors to make provision for the contingencies already adverted to, and at the same time to maintain so high and uniform a rate of dividend during years of great commercial difficulty.

The Directors trust that there may be



no necessity to diminish the return to the shareholders; but at the same time they think it proper to state that had the profits realized during the last six months not considerably exceeded those of the earlier part of the year, they would not have felt warranted in declaring the rate of dividend now payable. It appears the more necessary to make this remark at present, as it is impossible to speak with much confidence of the future. There are many disturbing causes which may interfere with the revival of trade and a return to prosperity, and which call for more than ordinary caution in making any estimate of the probable result of the business of the current year.

The Directors have obtained an amendment to the Charter during the recent session of the Legislature, by which the Bank is empowered to establish a guarantee fund for its employees, in lieu of the form of security at present required. The Act also removes the previous restriction with regard to the residence of the Directors, and provides additional regulations connected with the transmission of shares.

The laws regulating the interest upon money have recently engaged the attention of the Legislature, and it is to be regretted that a measure, having for its object the re-enactment of the restrictions removed in 1858, received a considerable amount of support. Your Directors trust that no change will be made without full enquiry into the result of the relaxation of the law, which they believe has had the effect of reducing the price of money, by attracting a large amount to the province for investment, and has been attended with other important advantages to the community.

Moved by Wm. Molson, Esq., seconded by E. M. Hopkins, Esq., That the report of the Directors, now read, be adopted, and printed for distribution amongst the shareholders.

Moved by Thomas M. Taylor, Esq., seconded by Wm. Murray, 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 H. O. Andrews, Esq., seconded by John Smith, 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	1,500,000	0	0	6,000,000.00
Circulation...	715,366	15	0	2,861,467.00
Deposits.....	936,812	15	2	3,747,251.03
Dividends unclaimed..	7,529	7	9	30,117.55
Half-yearly dividend 4 per cent, 1st June, 1861...	60,000	0	0	240,000.00
Rest.....	185,000	0	0	740,000.00
Balance of profits carried forward	9,839	18	1	39,359.61
	3,414,548	16	0	13,658,195.19
Gold and silver coin on hand.....	328,035	8	7	1,312,141.72
Government securities...	150,866	13	5	603,466.67
Balance due by other Banks.....	308,219	17	3	1,232,879.45

Notes and cheques of other banks	31,823	5	2	127,293.04
Bank premises at Montreal & at Branches & Agencies.	94,783	5	4	379,133.06
Notes and bills discounted, & other debts due to the Bank not includ'd und'r the foregoing heads...	2,500,820	6	3	10,003,281.25
	3,414,548	16	0	13,658,195.19

BANK OF MONTREAL, }  
30th April, 1861. }

{ ANNUAL MEETING,  
{ Bank of Montreal, June 3, 1861.

DAVID DAVIDSON, Esq., Cashier.

Sir,—We, the undersigned scrutineers, beg to report the following gentlemen as this day duly elected Directors of the Bank of Montreal, namely,  
THOMAS B. ANDERSON,  
THOMAS E. CAMPBELL, M.P.P.,  
BENJAMIN HOLMES,  
JAMES LOGAN,  
JOHN REDPATH,  
HON. JOHN ROSE, M.P.P.,  
THOMAS RYAN,  
HENRY THOMAS,  
DAVID TORRANCE.

We have the honor to be,  
Sir,

Your obedient servants,  
T. M. TAYLOR,  
JACKSON RAE,  
H. O. ANDREWS.

