

1863.

BANK OF MONTREAL.

ANNUAL GENERAL MEETING,

HELD 1st JUNE, 1863.

(From THE GAZETTE of 2nd June, 1863.)

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 Frederick Griffin, Esq., seconded by Peter Redpath, Esq., the following gentlemen were appointed to act as scrutineers :

John Greenshields, Esq.,
John Smith, Esq.

After some introductory remarks by the Chairman, the General Manager read the following

REPORT

OF THE DIRECTORS TO THE SHAREHOLDERS AT THEIR FORTY-FIFTH ANNUAL GENERAL MEETING, HELD 1st JUNE, 1863 :

The Directors in again meeting the Shareholders and presenting their forty-fifth annual report, accompanied by the usual statement of the assets and liabilities of the Bank at the close of its financial year, regret to announce that the profits of the Bank during the past year have been considerably diminished, and that it has been necessary to encroach upon the rest in order to maintain the customary dividend.

| | | |
|--|---------------|--------------|
| The balance of profit and loss at the last annual meeting amounted to..... | £8,338 18 11 | \$33,555.78 |
| Profits of the year, after deducting charges of management and providing for bad and doubtful debts..... | 87,427 15 6 | 338,511.11 |
| | £95,466 14 5 | \$381,866.89 |
| Amount taken from the Rest and added to Profit and Loss Account..... | £25,000 0 0 | \$100,000.00 |
| | £120,466 14 5 | \$481,866.89 |
| Dividend of 4 per cent, paid Dec., 1862..... | £60,000 0 0 | \$240,000.00 |
| Dividend of 4 per cent, payable 1st June, 1863..... | £60,000 0 0 | \$240,000.00 |
| | £120,000 0 0 | \$480,000.00 |
| Balance remaining at credit of Profit and Loss Account..... | £466 14 5 | \$1,866.89 |

The heavy loss sustained in the conversion of the Bank's funds in the United States into gold, the almost entire cessation of business with that country, and the further depreciation in the value of real estate held as security for old debts, have, together with the ordinary business

losses of the year, combined to render the present return unsatisfactory.

The deficient harvest of 1862, and the low prices for agricultural produce, have also had a depressing influence upon the business of the country.

The Directors felt some hesitation in deciding to reduce the Rest, rather than the customary dividend, upon the present occasion. They believe that in so deciding they have met the views of the general body of Shareholders.

The Directors recognize the exceptional character of some of the difficulties that have attended the business of banking during the past year. Apart from this however, the increasing competition for the banking business of the country has rendered it very difficult to maintain banking profits during the past few years, and the Shareholders will observe that the rest remains where it was in 1856, viz : \$700,000 (£175,000 cy.).

The Directors do not think it would be prudent to encroach further upon this fund, in order to maintain a dividend of 8 per cent per annum, and trust that the Shareholders will concur in this opinion.

It was proposed during the last Session of the Legislature to impose a tax of ½ of one per cent per annum on the banking capital employed in the Province ; and if this should be adopted hereafter, it will have the effect of diminishing to that extent the return to the Shareholders. The concurrent abolition of the present tax upon the amount of notes in circulation in excess of the specie and Government securities held by each Bank, would afford no compensation to this Bank, or others similarly situated, whose reserves have been so large as to exempt them altogether from a tax upon circulation. It would on the other hand offer a direct encouragement to an expanded circulation upon limited capital without reference to the maintenance of proper reserves. The measure would also have the effect of presenting an obstacle to the introduction of banking capital into the Province.

The Directors are unwilling to believe that the proposal would have received the sanction of Parliament, when the effects it was calculated to produce were properly understood.

The Directors have received encourag-

ing reports of the present appearance of the crops, throughout the Province ; and they are hopeful that with an abundant harvest and the continuance of peaceful relations with the United States, a year of average prosperity may be realized.

T. B. ANDERSON, President.

GENERAL STATEMENT.

| Liabilities. | £ | s. d. | \$ | c. |
|---|------------------|-------------|-------------------|-----------|
| Capit'l stock | 1,500,000 | 0 0 | 6,000,000 | 00 |
| Circulation.. | 554,486 | 5 0 | 2,217,945 | 00 |
| Deposits | 1,515,318 | 0 10 | 6,061,272 | 16 |
| Divid'nd un-claimed..... | 7,846 | 17 9 | 31,387 | 55 |
| Half-yearly dividend 4 per cent, 1st June, 1863.. | 60,000 | 0 0 | 240,000 | 00 |
| Rest..... | 175,000 | 0 0 | 700,000 | 00 |
| Balance of profits carried for'rd | 466 | 14 5 | 1,866 | 89 |
| | 3,813,117 | 18 0 | 15,252,471 | 60 |

| Assets. | £ | s. d. | \$ | c. |
|---|------------------|-------------|-------------------|-----------|
| Gold and silver coin on hand | 459,459 | 1 4 | 1,837,836 | 26 |
| Government securities... | 284,699 | 19 11 | 1,138,799 | 99 |
| Balance due by oth'r banks..... | 96,137 | 7 8 | 384,549 | 52 |
| Notes and cheques of oth'r banks | 82,718 | 8 3 | 330,873 | 65 |
| Bank premises, Montreal, Branches and Agencies.... | 94,003 | 14 8 | 376,014 | 96 |
| Notes and bills discounted, & other debts due to the bank, not includ'd under the foregoing heads | 2,796,099 | 6 2 | 11,184,397 | 22 |
| | 3,813,117 | 18 0 | 15,252,471 | 60 |

E. H. KING,

General Manager.

Bank of Montreal, }
Montreal, 30th April, 1863.)

After the Report had been read the following resolutions were put and carried unanimously —

Moved by John Frothingham, Esq., seconded by Walter Benny, Esq.:—

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

Moved by Edward M. Hopkins, Esq., seconded by J. Greenshields, 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 James Court, Esq., seconded by John Smith, Esq.:—

“That the thanks of the meeting be given to the General Manager, the Inspector, Managers, Agents, and other officers of the Bank, for their services during the past year.”

REPORT OF THE SCRUTINEERS.

BANK OF MONTREAL,

Montreal, 1st June, 1863.

To E. H. KING, Esq.,

General Manager.

SIR.—We beg to inform you, that at

the Meeting of Stockholders held this day, the following gentlemen were elected Directors of the Bank:—

| | |
|---------------------|-----------------|
| T. B. Anderson, | T. E. Campbell, |
| Benj. Holmes, | Jas. Logan, |
| Jno. Redpath, | Jno. Rose, |
| Thomas Ryan, | Henry Thomas, |
| and David Torrance. | |

We are, Sir,
Your most obdt. servants,

JOHN GREENSHIELDS,
JOHN SMITH,

Scrutineers.

