ROYAL CANADIAN BANK.

We have published a telegraphic summary of Mr. YARKER'S report on the state of the Royal Canadian Bank, but we think the report itself is worth giving at length. It has the merit of being both brief and clear, and, we should suppose, truthful —

Toronto, August 17, 1869.

John Crawford, Esq., President of the Royal Canadian Bank, Toronto.

SIR,—As requested by your Board of Directors I have very carefully examined the assets and position of the Bank, and inspected the Head office and some of the most important Agencies.

While inspecting I found the books and securities properly kept, and the cash on hand agreed with the cash books, with the exception of the Head office, where the reserve cash was found to be $10,000 short. This sum has since been charged to profit and loss account until the responsibility for the loss can be ascertained.

For the purpose of bringing this report down to as late a date as possible I deferred examining and verifying the statement of Liabilities and Assets till the close of the month of July. I then checked all the items from the proper books and vouchers and found them correct, as follows —

Statement 31st July —

Capital authorized by act	$2,000,000
Capital paid up	1,185,873 34

LIABILITIES

Promissory notes in circulation	$310,907
Due to other banks	1,612 63
Due to depositors, not bearing interest	181,531 76
Due to depositors, bearing interest	391,430 47
Total	$885,531 86

ASSETS.

Coin, bullion, and Provincial notes	$349,329 37	
Bills of other banks	37,427 05	
Due by other banks	24,585 20	
Total	$429,341 62	
Government debentures, 5 and 6 per cent., at par	128,911 10	
		$558,252 72
Notes and bills discounted		1,409,743 66
Landed or other property of the Bank		13,394 65
Other debts due to the Bank		23,490 17
Total		$2,005,081 20

On the notes and bills discounted I estimate the Bank will lose $148,500

On overdrawn accounts I estimate the Bank will lose $10,641 33

These overdrawn accounts, amounting to $20,645.10, are not included in the statement of assets, and in order to balance, the amount is deducted from total due depositors. I think this method should just be reversed.

There are three more overdrawn accounts, amounting to $29,987.60, used for the purpose of buying the bank stock. Seven hundred and twenty-five shares, or $36,250 of the nominal capital is held against these accounts. This stock was apparently bought up from time to time in the supposed interest of the bank when the stock was offering freely, and I could see no evidence of any one person being liable or responsible therefor.

Under the head of "other debts due the bank" is included an amount standing at debit of Preliminary Expense Account of $17,620. This is the balance of a very large account of expenses in establishing the bank, and I think should now be written off.

There is a balance at debit of Profit and Loss account of $72,668 11

This balance consists of the $10,000 missing from the Toronto vault, and what the Bank was short of profits and rest after charging "Profit and Accounts" with $300,000, being the old Board of Directors' estimate of loss on "Notes and Bills Discounted." It will be observed I increase that estimate of loss by $148,500.

The outstanding drafts, &c., issued by the Bank are of very trifling amount, and leaving the purchase of the Bank stock as so much money unproductively locked up for the present I find the paid up capital of the Bank impaired in the sum of $249,429 44 comprised of estimate of

Losses on "Notes Discounted"	$148,500 00
Loss on overdrawn accounts	10,641 33
Balance at debit of Profit and Loss account	72,668 11
	$231,809 44
To which, I think, should be added the balance at debit of "Preliminary Expenses	17,620 00
	$249,429 44

Against this loss the Bank holds a large number of disputed claims against agents, and other officers' securities, and some matters in arbitration, &c., &c.

No doubt a considerable amount may be recovered from these sources, but I have placed no value upon them, as I could not consider them as definite or ascertained assets.

This estimate and report is based upon the presumption the Bank will shortly open again for business, as any other course would greatly add to the loss of capital.

I am Sir,
Your obedient servant,
(Signed,) GEO. W. YARKER.

P. S —RECAPITULATION.

Amount of paid up capital	$1,185,873 34
Deduct estimate of losses, &c.	249,429 44
Balance of unimpaired capital	$936,443 90

or nearly 79 cents in the dollar, supposing the assets realized as estimated.

A HAMILTON BANK.

[From the Spectator.]

A meeting of the members of the Board of Trade and other gentlemen, was held last evening at the Royal Hotel.

James Turner, Esq. President of the Board of Trade, occupied the Chair, and A. F. Skinner, Esq. was requested to act as Secretary.

The Chairman said, there had been a good deal of conversation about the changes spoken of in reference to Bank matters. At the request of some members of the Board of Trade, he had called a meeting of the Council A Committee had been appointed, and their report would now be read. It was simply the views of the Committee, and the present meeting was of members of the Board and other gentlemen interested in the question of securing a Local Bank.

Mr A F Skinner read the following

REPORT.

The Committee appointed by the Council of the Board of Trade to report to this meeting as to the possibility of securing to Hamilton the advantages of a local Bank, and of either purchasing or amalgamating with the Gore, present as follows.

1st. They find, upon careful inquiry, that a local monied institution is considered a desideratum in this community by the bulk of merchants and capitalists of our city.

2nd. They also find that no great difficulty presents itself in the securing to Hamilton of a local Bank, with a capital to begin with of $1,000,000.

3rd. With reference to the starting of a new institution for the purpose of purchasing the Gore Bank, they beg to present—"That they learn negotiations are now in progress—indeed, all but completed (a definite offer having been made and contingently accepted), whereby the Gore will be amalgamated with an institution already largely in the confidence of many of our business men, and having received positive assurance that the capital of the Gore will be retained in Hamilton, they cannot therefore recommend, at any rate, until after the meeting of the Gore Bank shareholders, on the 31st inst, the taking of any steps whereby this arrangement may be interfered with or disturbed.

4th. They have given their earnest consideration to the matter of taking immediate steps for the starting of a local bank, and while they admit its importance and recognize its necessity, they would, in view of the serious changes now contemplated being shortly effected in the banking system of the Dominion, advise delay in the meantime. At the same time, they recommend the continuance of the Committee already in existence for the purpose of taking action in the matter as soon as they deem advisable.

Respectfully submitted,
A. F. SKINNER, Secretary

Mr J I McKenzie, with a view to bringing the matter fairly up for consideration, moved the adoption and reception of the Report. He had pleasure in doing so, as the first clause declared that the feeling was strong in favor of a local Bank, and, further, that there would be no difficulty in obtaining a capital of $1,000,000 for a local bank—either for a new bank or for the continuing of the Gore Bank He could understand the delicacy that had dictated the 3rd clause. In the 4th clause he was not able to concur. It was not clear to him that the reason stated was a good one. He thought the changes contemplated would rather increase the necessity for bank accommodation, but rejoiced that the Committee were to be kept in existence, with a view to at once taking steps should the negotiations at present going on fail.

Mr. John Winer, seconded the resolution.

Mr. Skinner said he had been astonished at the amount of feeling expressed almost universally as to the necessity for a local bank.

Mr. Wm Hendrie, thought there should be no delicacy about approaching the Directors; they had been instructed to seek proposals from the Bank of Commerce, Bank of Montreal, or any other parties. There was a very large amount of stock held in Montreal, the Old Country, and other points, and if once withdrawn, it could not be readily restored to the city.

Mr McIlwraith said that if the negociations were merely going on, it would be proper to approach the Directors, but as they were virtually closed, it would now be in very bad taste to attempt to interfere with them, and no other offer could now be entertained.

Mr. Hendrie said he was aware that a majority of the Directors of the Gore Bank held that view, but there was a minority who thought differently. He was satisfied that the Directors were not authorized to close negociations, but merely to receive any offers that might be made and report them to the shareholders.

Mr. Watson asked if there had been a willingness expressed to the committee to buy up the stock of the Gore and carry on that institution.

Mr. Skinner replied that the feeling was for a new bank under different management.

Mr. Hendrie was only anxious for the continuance of a local bank; and he thought the Gore might more easily be carried on than a new bank organized.

Hon. Isaac Buchanan was glad to find that the importance of a local Bank was so generally recognized. There was not now any local organization for the buying up or absorbing of the Gore, but he was quite satisfied that if the negociations with the Bank spoken of were to fall through there would be no difficulty in getting the necessary capital to carry on the Gore, or another local Bank successfully. The fact that the Bank of Commerce guaranteed to retain the capital of the Gore in Hamilton was a point gained. He was sure we would not be without a local Bank.

Mr D. McInnes said he concurred in the report. He was satisfied of the importance and necessity to Hamilton of a Local Bank, and expressed a confident hope that the time was not far distant when such an institution would be establish-