

MERCHANTS' BANK OF CANADA

FIFTY-FIRST ANNUAL MEETING.

The fifty-first annual meeting of the Merchants' Bank of Canada was held Wednesday, May 20 in the Board Room at the head offices at Montreal. The chair was taken at 12 o'clock, noon, by Sir H. Montagu Allan, the President. Others in attendance were: Messrs. Thomas Long, Alex. Barnett, C. C. Ballantyne, A. J. Dawes, Farquhar Robertson, Geo. L. Cains, Alfred B. Evans, E. F. Hebdon, John Patterson, A. Fiddington, Alex. D. Fraser, George Hague, W. H. Dixon, Arthur Browning, W. B. Blackader, T. H. Merritt, John Beattie, David Kinghorn, R. Shaw, W. B. Shaw, D. C. Macarow, H. B. Loucks, R. Campbell Nelles, C. R. Black, A. Haig Sims, D. A. Lewis, J. M. Kilbourn and H. H. Ransome. Mr. J. M. Kilbourn was appointed Secretary of the meeting.

The minutes of the last annual meeting were taken as read.

THE DIRECTORS' REPORT

The Board have much pleasure in submitting the result of the year's business, closing with the 30th April last. On an average capital and rest of \$13,348,100, the Bank has earned 9.3%, which is a little lower rate than a year ago. Meantime, our capital stock has been further augmented by the disposal of the unsold shares, making the dividend disbursement somewhat greater. In the Profit and Loss Statement you will observe \$135,000, applied in reduction of the sum representing the Bonds and securities, which during the year have suffered a fall in price. To bring them to their market value the Board have authorized the writing of them down by that sum.

I have great pleasure to-day in congratulating the shareholders upon a very notable event in the history of the Bank—the fiftieth anniversary of its establishment—and also upon the happy attainment of the goal of the Board's ambition for many years back, namely, the placing of the Reserve Fund upon an equality with the paid up Capital. This consummation has been at length attained. The paid up Capital is now \$7,000,000, and the Reserve Fund \$7,000,000, as you will see from the statement placed before you.

During the past year we have opened branches at the following points:—In Quebec: Chateauguay Basin, Huntingdon, Maisonneuve, Montreal St. Denis Street, Ormstown and Vaudreuil. In Ontario: Bronte, Clarkson, Hamilton East End, Sarnia and St. Catharines. In Alberta: West Edmonton, Raymond and Rimbey. In Saskatchewan: Rastend, Forbes, Humboldt, Kelvinsburg, Limerick and Shaunavon. In British Columbia: Ganges Harbour, Oak Bay, and Victoria North End. In Manitoba: Starbuck, and in Nova Scotia, New Glasgow.

And we have closed the following offices:—In Alberta: New Norway, Pincher Station and Walsh, and in Ontario: Sandwich.

All the branches of the Bank have been inspected during the year.

The Board will to-day ask the shareholders to appoint Auditors for the coming year, in accordance with the Bank Act.

The requirements under the new Bank Act, covering the preparation of the Annual Statement, together with the growth of the Bank, make it desirable that more time be given for this work. We find it, therefore, necessary that the date of the Annual Meeting be put forward somewhat. The third Wednesday in May, following so nearly the close of books on 30th April, does not allow sufficient time. The Board ask you to sanction a change of date to the first Wednesday in June, which will meet requirements.

All of which is respectfully submitted.

H. MONTAGU ALLAN, President.

Statement of the Result of the Business of the Bank for the year ending 30th April, 1914.

| | |
|---|----------------|
| The Net Profits of the year, after payment of charges, rebate on discounts, interest on deposits, and making full provision for bad and doubtful debts, have amounted to..... | \$1,218,694.45 |
| Premium on New Stock | 180,825.00 |
| The balance brought forward from 30th April, 1913, was..... | 401,014.24 |
| Making a total of..... | \$1,800,533.69 |

RESERVE FUND ACCOUNT.

| | |
|--|-------------|
| Balance, 30th April, 1913..... | \$6,419,175 |
| Transferred from Profit and Loss Account..... | 400,000 |
| Premium on New Stock | 180,825 |
| Average Paid-up Capital during year | \$7,000,000 |
| Statement of Liabilities and Assets at 30th April, 1914. | 6,868,500 |

LIABILITIES.

1. To the Shareholders.

| | |
|--|-----------------|
| Capital stock paid in..... | \$7,000,000.00 |
| Rest or Reserve Fund..... | 7,000,000.00 |
| Dividends declared and unpaid | 176,088.66 |
| Balance of Profits as per Profit and Loss Account submitted herewith | 248,134.67 |
| | \$14,424,223.33 |

2. To the Public.

| | |
|---|-----------------|
| Notes of the Bank in Circulation..... | \$5,597,714.00 |
| Deposits not bearing interest..... | 13,309,394.11 |
| Deposits bearing interest, including interest accrued to date of statement | 45,946,650.06 |
| Deposits due to other Banks in Canada | 1,488,333.31 |
| Deposits due to Banks and banking correspondents in the United Kingdom and foreign countries..... | 2,278,387.51 |
| Bills payable..... | 76,039.00 |
| Acceptances under letters of credit..... | 76,039.00 |
| Liabilities not included in the foregoing | \$83,120,741.32 |

E. F. HEBDEN, General Manager.

ASSETS.

| | |
|---|-----------------|
| Current Coin held..... | \$2,993,802.06 |
| Dominion Notes held | 4,862,603.00 |
| Notes of other Banks..... | 519,109.00 |
| Cheques on other Banks | 3,276,399.74 |
| Balances due by other Banks in Canada | 2,688.08 |
| Balances due by Banks and banking correspondents elsewhere than in Canada | 1,089,762.76 |
| Dominion and Provincial Government securities, not exceeding market value | 568,991.61 |
| Canadian Municipal securities, and British, Foreign and Colonial public securities, other than Canadian, not exceeding market value | 536,990.65 |
| Railway and other Bonds, Debentures and Stocks, not exceeding market value | 4,183,097.70 |
| Call Loans in Canada on Bonds, Debentures and Stocks | 3,119,841.67 |
| Call Loans elsewhere than in Canada..... | 3,770,117.27 |
| Other Current Loans and Discounts in Canada (less Rebate of Interest) | \$24,923,403.54 |
| Other Current Loans and Discounts elsewhere than in Canada (less Rebate of Interest) | 53,603,673.24 |
| Liabilities of customers under letters of credit as per contra..... | 181,016.45 |
| Real Estate other than bank premises | 76,039.00 |
| Overdue debts, estimated loss provided for | 79,704.98 |
| Bank Premises, at not more than cost, less amounts (if any) written off | 74,113.44 |
| Deposit with the Minister for the purposes of the Circulation Fund | 3,720,035.88 |
| Deposit in the Central Gold Reserve | \$25,000.00 |
| Other Assets not included in the foregoing | 137,754.79 |
| | \$83,120,741.32 |

H. MONTAGU ALLAN, President.

THE GENERAL MANAGER'S ADDRESS.

The General Manager, Mr. E. F. Hebdon, then made his annual address, as follows: There is very little to be said this year beyond that the country has come through a more than usually trying time the past twelve months. The transition was almost kaleidoscopic—from a period of plethora and easy money, with deposits raining in upon us, to a time of scarcity, with the blue-ruin prophet abroad in the land, the wish being father to the thought. The Banks, taken as a whole, took early note of the sudden change in the financial outlook, and took their measures accordingly. They were materially assisted by the excellent crop reaped almost throughout Canada, which was largely marketed so soon as threshed, to the great easement of the general situation. There were many other factors at work making for relief. Meanwhile, we have moved into calmer waters, and while money is not yet easy in Canada, I believe we are on the highroad to better times and a renewal abroad of confidence in us, which will, I firmly think, be given us before many years are over, in larger measure. The position in Canada today appears to me to be full of promise. Last summer I travelled throughout the Northwest and British Columbia, visiting nearly all our branches, and I should have been sceptical indeed if I did not see much to fill me with hope, bordering on conviction that the country had a very great future. You have had this assurance before, but the impression strongly prevails with me that Western Canada is more than likely to be Greater Canada in the years to come, for the opportunity is there, and the steps of the younger generation of many countries will surely be directed thither, where certain success is awaiting them.

You do not want voluminous statistics from blue books read to you, to prove that this country is a grand one, particularly for the industrious and frugal. Your business is prosperous. The heart of the country is sound, to the very core, throughout its length and breadth. Extravagance and waste may yet need their lessons that spending is not living but only the sure forerunner of evil days. I do not desire to moralize or preach, but sanity in expenditure in public and private life is the only sure and certain road to permanent success, and I believe errors in the past will be retrieved, for few remain that are not convinced that the pace that kills must be permanently abandoned before the brighter era dawns. Those brighter days, I believe, are even now knocking at our door. It will be opened the sooner if borrowers of all kinds are moderate in their demands. Excess in borrowing will be the one potent factor in keeping things as they are and deferring the day of easier money and generally better conditions.

I have to thank the Board and the shareholders again in the name of the staff for yet another handsome addition to the Pension Fund. We hope in a year or two to place the fund upon such a sound actuarial basis that no further subventions will be needed.

May I now express the hope that the coming year's business may in every way reach our reasonable expectations.

The motion of Messrs. Farquhar Robertson and G. L. Cains to change the date of the Annual Meeting

to the first Wednesday in June was unanimously adopted.

On motion of Messrs. John Patterson and A. Fiddington, Messrs. Vivian Harcourt, of Deloitte, Plender, Griffiths & Co. and James Reid Hyde, of Macintosh and Hyde, were appointed auditors of the bank, to hold office until the next annual general meeting, their remuneration not to be more than \$5,000 in all.

Mr. A. Haig Sims moved, seconded by Mr. D. Kinghorn, that the Scrutineers cast one ballot in favor of the following as Directors: Sir H. Montagu Allan and Messrs. K. W. Blackwell, Thomas Long, Alex. Barnett, F. Orr Lewis, Andrew A. Allan, C. C. Ballantyne, A. J. Dawes, F. Howard Wilson, Farquhar Robertson, Geo. L. Cains and Alfred B. Evans.

The motion was unanimously carried, and these directors were declared elected.

At a subsequent special meeting of the Directors, Sir H. Montagu Allan was re-elected as President, and Mr. K. W. Blackwell as Vice-President.

ARKONA

24th May visitors in town.

Mr. and Mrs. Jno. Hall and daughter Dorothy of Sarnia, at Mr. Showler Waterman.

Mr. Len Irwin, of London, at home here.

Mr. Ivan Crawford, of London, at home here.

Mr. Harold Johnston of Windsor, with friends in town.

Mr. and Mrs. Oliver Keene and family of London, with Mr. and Mrs. H. Rook.

Mr. and Mrs. Hawkins, of London, at Mr. Wesley Lucas.

Men's fine straw hats. The newest styles.—Brown Bros.

Mrs. J. Geo. Brown, visited her sister Mrs. McCarty, of Thamesford last week.

A number from town attended the circus in Thedford, last Tuesday.

During June, July and August the General Stores will be closed Wednesday afternoons.

Mr. and Mrs. Wm. Smith, Mr. Jacob Smith and Mr. Robt. Fitzsimons left on Tuesday for a trip through the West.

Mrs. Rutter and sons Blythe and George, are spending a few days with friends in Thedford.

Use Martin Senour Paint, 100% pure.—Brown Bros.

Miss George Davidson, of Arkona, has been successful in obtaining the degree of M. A. at the Western University, London. Miss Davidson took First Class honors in English and History, Greek and French.

The members of Mrs. Lambe's Sunday School class met at her home last Saturday afternoon and formed an organization under the class name "King's Daughters," taking as their motto "Loyal to our King," and class song "I'm a Child of the King." The organized class has a charter membership of fourteen, with President, Miss Alice Lamp-

man; Vice-President, Miss Ella Copeland; Secretary, Miss Lila Lucas; Asst. Secretary, Miss Ila Huntly; Treasurer, Miss Madeline Lucas. The conveners of committees are Miss Lydia Pressey, Miss Carrie Riggs and Miss Bessie Bates; teacher, Mrs. F. Lambe.

Mrs. Clayton Herrington is attending the Pres. U. M. S. Convention, in Sarnia this week.

Miss McKnight of Kerwood, spent the 24th with Lila Dowding.

Mr. and Mrs. Atto Schmitt spent the 24th with friends in Detroit.

Messrs. Wes. Fuller and Will Williams went to Windsor bringing a new car back which Mr. Rae Morningstar has sold.

Mr. Harold Eastman spent the 24th with friends in Stratford.

Messrs. C. J. Porter, Ivan Dowding, Carl Little and Harry Dowding motored to London on the 24th.

Miss Amy Smith spent a few days at her home here.

Mr. Cecil Stoner, of Watford, is spending a few days at his home here.

Mr. and Mrs. Ben Pike and family, of Strathroy, spent the 14th with Mr. and Mrs. Geo. Rivers.

Miss Elsie McKnight, of Kerwood, spent a few days with Miss Lila Dowding last week.

Rings and linoleums. A big assortment.—Fuller Bros.

Mr. Levi Krautz, of St. Catharines, spent the 24th with friends in town.

Mr. and Mrs. Fred Herrington, of Forest, spent Sunday with Mr. and Mrs. Ben Herrington.

Miss Emma Augustine, of Toronto, is spending a few days with her mother, Mrs. A. W. Augustine.

Mrs. Wm. Thomas, sr., and Mr. and Mrs. J. Hawkins, of London, called on Arkona friends last week.

Finest stock in town of oranges, bananas, lemons and pineapples.—Fuller Bros.

Mrs. J. Dennis and Mrs. C. Watts are visiting friends in St. Thomas this week.

White Canvas shoes for the Ladies and Children at Fuller Bros.

Mr. Jas. Evans motored to London on the 24th.

Barefoot Sndals for the hot weather at Fuller Bros.

Mr. Holzer of Forest, called on the Rev. H. W. Wright on Tuesday.

Miss Hattie Hill, of Ingersoll, spent a few days in town last week.

TEETHING BABIES

Teething time is usually a time of worry to mothers. It is usually accompanied by nervousness, stomach trouble and extreme fretfulness. The mother can avoid all this; she can have her baby pass through the dangerous teething time without pain or crossness. Baby's Own Tablets are the mother's greatest friend at this time. They sweeten the stomach, regulate the bowels, allay feverishness which usually accompanies the coming of new teeth, and in this way make teething easy. The Tablets are sold by medicine dealers or by mail at 25 cents a box from The Dr. Williams' Medicine Co., Brockville, Ont.

THE STERLING BANK OF CANADA

SAVE, because-- No. 112

\$1,000 cash is the foundation of many a fortune.

A savings account is the foundation of the \$1,000.

HEAD OFFICE, COR. KING AND BAY ST., TORONTO

GENERAL MANAGER—A. H. WALKER.

WATFORD BRANCH F. O. McILVEEN Manager.

QUALITY

is first, last and all the time the important consideration in our Shoes,—see them. Always the biggest possible value for the least money at this store. Good Shoes for everybody, a complete assortment at all times. THE INVICTUS SHOE, the best good shoe, \$4.00, \$4.50 and \$5.00. Some snaps on the Bargain Table. THE CLASSIC SHOE for children are wearers. Call at White's and get fitted.

TRUNKS, SUIT CASES, ETC.

JOHN WHITE

WATFORD SHOE PARLOR