

RESERVE FUND.

Balance at credit of account, 30th April, 1912	\$6,000,000.00
Premium received on new Capital Stock	788,169.18
Transferred from Profit and Loss Account	211,830.82
	<u>\$7,000,000.00</u>

D. R. WILKIE,
General Manager.

Thirty-Eighth Annual Balance Sheet, April 30th, 1913

LIABILITIES.

Notes of the Bank in circulation		\$ 5,803,794.00
Deposits not bearing interest	\$12,201,587.23	
Deposits bearing interest (including interest accrued to date)	44,600,524.63	56,802,111.86
		<u>224,075.56</u>
Deposits by other Banks in Canada		\$62,829,981.42
		<u>6,788,169.17</u>
Total Liabilities to the public		
Capital Stock (paid up)		\$ 7,000,000.00
Reserve Fund Account		203,001.96
Dividend No. 91 (payable 1st May, 1913) for three months, at the rate of 12% per annum		138,967.00
Rebate on Bills discounted		1,003,988.55
Balance of Profit and Loss Account carried forward		8,345,957.51
		<u>\$77,964,108.10</u>

ASSETS.

Gold and Silver Coin	\$ 1,624,796.87	
Dominion Government Notes	10,830,331.75	\$12,455,128.62
		<u>307,424.50</u>
Deposit with Dominion Government for security of note circulation		4,171,844.16
Notes of and Cheques on other Banks		977,551.62
Balance due from other Banks in Canada		2,497,522.89
Balance due from Agents in the United Kingdom		2,345,084.93
Balance due from Agents in Foreign Countries		<u>\$22,754,556.72</u>
Cash Reserves = 36 1/5% of Liabilities.		
Dominion and Provincial Government Securities	566,986.99	
Loans to Provincial Governments	1,519,307.72	
Canadian Municipal Securities, and British or Foreign or Colonial Public Securities other than Canadian	4,197,948.27	
Railway and other Bonds, Debentures and Stock	730,152.68	7,014,395.66
		<u>3,135,507.37</u>
Call and Short Loans on Stocks and Bonds in Canada		2,000,000.00
Call and Short Loans on Stocks and Bonds elsewhere than in Canada		
		<u>\$34,904,459.75</u>
Total Liquid Assets = 55 1/2% of Liabilities.		
Other Current Loans, Discounts and Advances		40,502,609.92
Overdue Debts (loss provided for)		71,105.93
Real Estate (other than Bank premises)		97,252.72
Mortgages on Real Estate sold by the Bank		468,597.25
Bank Premises, including Safes, Vaults and Office Furniture, at Head Office and Branches		1,900,000.00
Other Assets, not included under foregoing heads		20,082.53
		<u>\$77,964,108.10</u>

D. R. WILKIE,
General Manager.E. HAY,
Assistant General Manager.

THE PRESIDENT:—Gentlemen, I have very much pleasure in rising to move the adoption of the Report. It is, I think, one of the most satisfactory Reports that has been presented to you over the 38 years during which the Bank has been in operation.

PROFIT AND LOSS ACCOUNT.

The profits for the year, based upon the average paid-up capital, represent 17.28 per cent. thereon, but if calculated upon capital and surplus combined represent 7.61 per cent. only. There has been for years a misconception with regard to the actual earnings of banks owing to the misleading custom prevailing of quoting a percentage of profits based upon paid-up capital alone, instead of upon capital, reserve fund and undivided profits. The premiums received from shareholders upon new capital subscribed and the accumulated undivided profits are just as much a portion of the capital employed as the paid-up capital itself. However, we are grateful for a good year—the best we have had for a length of time.

DEPOSITS AND CIRCULATION.

Our total deposits on 30th April stood at \$57,026,187.43, as compared with \$55,106,589.75 on the same date in 1912. Circulation of our notes has grown from \$5,303,642 to \$5,803,704, and would have gone still higher but for the restrictions placed thereon by the present Bank Act, and which, as I shall explain to you later, have been to some extent ameliorated by new regulations which will come into force on 1st July.

CASH RESERVES.

Gold, silver, bank balances, etc., which stood at \$21,490,915 last year, are now \$22,754,556, equal to 36 1/5 per cent. of liabilities to the public, whilst our total liquid assets amounted to \$34,904,459, equal to 55 1/2 per cent. of our liabilities to the public, as compared with \$31,537,448 last year.

LOANS AND DISCOUNTS.

The growth in ordinary loans and discounts has been from \$40,171,085 to \$40,502,609. The increase is more than represented by additional capital stock and premium thereon paid in, amounting to \$1,788,000. The figures for all Canada indicate an increase in this class of assets from \$833,000,000 to \$898,000,000. With due regard to the legitimate requirements