

MERCHANTS' BANK OF CANADA—Continued.

STATEMENT OF LIABILITIES AND ASSETS AT 30th APRIL, 1915

LIABILITIES

1. TO THE SHAREHOLDERS.	1915
Capital Stock paid in	\$7,000,000.00
Rest or Reserve Fund	7,000,000.00
Dividends declared and unpaid	175,710.00
Balance of Profits as per Profit and Loss Account submitted herewith	245,140.70
	\$14,420,850.70
2. TO THE PUBLIC.	
Notes of the Bank in Circulation	\$ 6,204,069.00
Deposits not bearing interest	12,692,061.44
Deposits bearing interest (including interest accrued to date of statement)	50,037,101.89
Balances due to other Banks in Canada	933,204.92
Balances due to Banks and banking correspondents in the United Kingdom and foreign countries	1,207,076.30
Bills payable	
Acceptances under letters of credit	696,100.26
Liabilities not included in the foregoing	
	\$86,190,464.51

ASSETS

Current Coin held (see also deposit in the Central Gold Reserve)	\$ 2,693,330.53
Dominion Notes held	12,732,618.75
Notes of other Banks	564,711.00
Cheques on other Banks	2,833,748.30
Balances due by other Banks in Canada	3,110.67
Balances due by Banks and banking correspondents elsewhere than in Canada	2,232,655.91
Dominion and Provincial Government securities, not exceeding market value	583,997.72
Canadian Municipal securities, and British, Foreign and Colonial public securities, other than Canadian, not exceeding market value	903,667.02
Railway and other Bonds, Debentures and Stocks, not exceeding market value	4,968,195.58
Call Loans in Canada on Bonds, Debentures and Stocks	3,606,342.89
Call Loans elsewhere than in Canada	964,193.14
	\$32,086,571.51
Other Current Loans and Discounts in Canada (less Rebate of Interest)	47,401,858.68
Other Current Loans and Discounts elsewhere than in Canada (less Rebate of Interest)	100,240.32
Liabilities of customers under letters of credit as per contra	696,100.26
Real Estate other than bank premises	118,816.77
Overdue debts, estimated loss provided for	144,721.63
Bank Premises, at not more than cost, less amounts written off	4,166,147.94
Deposit with the Minister for the purposes of the Circulation Fund	335,000.00
Deposit in the CENTRAL GOLD RESERVE	1,000,000.00
Other Assets not included in the foregoing	141,007.40
	\$86,190,464.51

K. W. BLACKWELL, *Vice-President.*E. F. HEBDEN, *General Manager.*

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE MERCHANTS BANK OF CANADA.

In accordance with the provisions of sub-Sections 19 and 20 of Section 56 of the Bank Act, we report to the shareholders as follows:—

We have examined the above Balance Sheet with the Books of Account and other records of the Bank at the Chief Office and with the signed returns from the Branches and Agencies.

We have checked the cash and verified the securities of the Bank at the Chief Office against the entries in regard thereto in the books of the Bank as on April 30th, 1915, and at a different time during the year and found them to agree with such entries. We have also attended at several of the Branches during the year and checked the cash and verified the securities held at the dates of our attendance and found them to agree with the entries in the books of the Banks with regard thereto.

We have obtained all the information and explanations we have required. In our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank, and the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

VIVIAN HARCOURT, of Deloitte, Plender, Griffiths & Co.

J. REID HYDE, of Macintosh & Hyde,

Auditors.

Montreal, 25th May, 1915.

In moving the adoption of the Report, which was seconded by Mr. Thomas Long, the Chairman invited discussion. Mr. John Patterson enquired as to the exact position regarding the writing off of depreciation on bonded investments. In reply to this the General Manager, Mr. E. F. Hebden, said that these investments had not been realized upon, but that the amount had been written off in order to bring their values down to present quotations. Values had depreciated a good deal since the war. The Bank was carrying these bonds and obligations at a lesser valuation. A careful account was taken of all amounts so written off, and the Management was hopeful that a good deal of it would eventually come back with a return to normal times.

The report was then adopted.

The General Manager, Mr. E. F. Hebden, then addressed the meeting on the general financial position and the future prospects of the country.