

MERCHANTS' BANK OF CANADA—Continued.

STATEMENT OF LIABILITIES AND ASSETS AT 30th APRIL, 1914.

LIABILITIES.

1. TO THE SHAREHOLDERS.	
Capital stock paid in	\$ 7,000,000.00
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
Balances due to other Banks in Canada	1,488,333.31
Balances 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	
Liabilities not included in the foregoing	
	\$83,120,741.32

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
	\$24,923,403.54
Other Current Loans and Discounts in Canada (less Rebate of Interest)	53,603,673.24
Other Current Loans and Discounts elsewhere than in Canada (less Rebate of Interest)	181,016.45
Liabilities of customers under letters of credit as per contra	76,039.00
Real Estate other than bank premises	79,704.98
Overdue debts, estimated loss provided for	74,113.44
Bank Premises, at not more than cost, less amounts (if any) written off	3,720,035.88
Deposit with the Minister for the purposes of the Circulation Fund	325,000.00
Deposit in the Central Gold Reserve	137,754.79
Other Assets not included in the foregoing	
	\$83,120,741.32

E. F. HEBDEN, *General Manager.*

H. MONTAGU ALLAN, *President.*

In moving the adoption of the Report, which was seconded by Mr. Thomas Long, the President invited discussion.

In reply to enquiry by Mr. John Patterson, it was stated that shareholders would be given an opportunity of taking up bonds of the holding company for the Bank Premises, if they desired to do so.

Replying to an enquiry from Mr. R. C. Nelles, it was made clear that the proposed change in the date of the Annual Meeting, mentioned in the Report made no change in the close of the Bank's year or the date of payment of dividends, but affected the date of the Annual Meeting only.

Mr. Nelles—The only comment I have to make upon this Report is to congratulate the Board on having written off \$135,000 in connection with depreciation. Some private concerns and banks do not do that. There has undoubtedly been a depreciation, which I do not think will last, and I think an appreciation will come later on.

The report was then adopted.

THE GENERAL MANAGER'S ADDRESS.

The General Manager, Mr. E. F. Hebden, 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 to-day 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