

THE MERCHANTS BANK OF CANADA—Continued

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 at the Chief Office of the Bank and with the signed returns from the Branches and Agencies and 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 at 30th April, 1919, and at a different time during the year and found them to agree with such entries. We also attended at some of the Branches during the year and checked the cash and verified the securities held at the dates of our attendances and found them to agree with the entries in regard thereto in the books of the Bank.

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.

Montreal, 23rd May, 1919.

VIVIAN HARCOURT,
GORDON TANSLEY,

Auditors:
(of the firm of Deloitte, Plender, Griffiths & Co.)

The President's Address.

In moving the adoption of the Report, the President, Sir H. Montagu Allan, who was received with applause, on his first appearance since his service overseas, gave a brief address.

"Gentlemen, I would like to say that I think the results of the year's business are very satisfactory to the Board, and I am confident that the Shareholders will be of the same opinion. (Hear, hear.)

"You all know that the past four years have been a very trying period for us all, as throughout the world. During most of that time I have been on the other side of the Atlantic, and I am very glad on my return to see that the Bank has been making such excellent progress. It has been a source of astonishment and gratification to myself to see how the deposits have kept up, notwithstanding the large withdrawals for various Government issues in connection with the war and the great growth of business generally.

"It is a truly marvellous achievement and speaks convincingly of this country's inherent strength and ready adaptability to changed and changing circumstances.

"I would like to take this opportunity of thanking Mr. Blackwell, the Vice-President, for the courteous and able manner in which he has performed the duties of President and presided over the annual meetings during my absence, and the efficient manner in which he has conducted the business of the Bank.

"You all know that this Bank, in common with all other banks, has passed through a trying and anxious period during the past few years. During that time Mr. Blackwell, with the assistance of the Board, has carried on the work in a splendid and efficient manner, and I am glad of this opportunity to voice the appreciation of the Shareholders of his services. (Applause.)

"It gives me pleasure now to move, seconded by Mr. Blackwell, the adoption of the Annual Report."

MR. BLACKWELL—"I take pleasure in seconding the motion for the adoption of the Annual Report. In doing so, I would like to add a few words as to my own personal feelings on hearing such kind words from Sir Montagu Allan as to my efforts during his absence. You all know that it is an unwritten law that men will stand by their friends, especially when they are in trouble, and we all know that Sir Montagu has suffered severely by this war. It was necessary for him to stay abroad for four years, and he has suffered personal bereavements, for which I owed him deep sympathy, in which I am sure you all joined. It was only natural and proper that I should shoulder his work to the best of my ability. I have only endeavored to do my duty to my co-directors and also to the Bank.

"Later you will be told of the organization of The Bankers' Trust Company, and I hope every man in this room, both Directors and Shareholders, will do their utmost to support that institution, exerting their personal influence and own support, when, I am confident, it will be found a valuable source of useful business for the Bank, and also a valuable aid to those of you who put your estates in its charge. I have always felt that this Bank should have control of a Trust Company working in its interests, and I am very much pleased and gratified that we have succeeded in getting it started." (Applause.)

There being no questions or discussion, the Annual Report was unanimously adopted.

The General Manager's Address.

The General Manager, Mr. D. C. Macarow, in addressing the meeting, said:

MR. MACAROW:—"In the first place I would like to express, speaking on behalf of the Exe-