joy life. In Manitoba and the Northwest the harvest constituted a record, the production of wheat in 1905 amounting to 86 million bushels, and the quality was excellent, and fetched good prices. The exports of cattle were 59,000 head, 22,000 head more than in 1904, and 38,000 more than in 1903. The immigration to the provinces of Manitoba, Saskatchewan and Alberta is stated to have been 120,000 persons. A year ago your attention was drawn by the chairman to the fact that the number of commercial failures in Manitoba and the Northwest Territories had increased, adding that the total of such liabilities had not increased in like proportion, and he gave a word of warning against too great freedom in granting credit. It is, therefore, with great regret that I have to point out that, whereas in 1904 the failures in these 3 provinces were 52 in number, with liabilities amounting to $370,000, in 1905 they were 155 in number, with liabilities amounting to £1,324,000. Our Winnipeg manager, who writes with a large experience of local conditions, is of opinion that while established houses have added to their means and strengthened their position, many have gone into business of late years lacking capital or experience, or some other essential, with the inevitable result. The settlement of these three provinces is proceeding rapidly, as the immigration returns clearly indicate, and the value of important farms has considerably increased, and in the most favored localities has now reached a point where the value compares not unfavorably with the price of freehold farms in certain counties of England. The value of good land has also advanced considerably, chiefly under the influence of purchases for actual settlement, but also I regret to say from the purchases of speculators, which have been on a considerable scale, and will certainly not have a beneficial influence upon the agricultural industry. This concludes the general remarks I have to make to you, but before sitting down, I will ask you to appreciate that the results of the year's working has not been brought about without hard work by our general manager, Mr. Stikeman, and his staff, and I am sure you will allow us to convey to those in Canada and to our London office your hearty thanks for their continued good services in the interests of the bank. I beg to move that the report and accounts be adopted, and if any proprietor wishes to ask any questions I will be pleased to reply to him to the best of my ability.

Mr. Henry R. Farrer, seconded the resolution.

No questions being asked, the resolution was put to the meeting and was carried unanimously.

Messrs. G. D. Whatman, J. J. Cater, and H. J. B. Kendall, the retiring Directors, were re-elected, and Mr. C. W. Tomkinson was elected to fill the vacancy caused by the resignation of Mr. Maurice G. C. Glyn, who found it impossible for him to devote sufficient time for the conscientious discharge of his duties on the Board.

Balance Sheet 30th December, 1905.

Dr.

To capital..			$4,866,666 66
20,000 Shares of £50 each fully paid:			
To Reserve Fund..			2,141,333 33
To Deposits and Current Accounts..			20,223,651 00
To Notes in Circulation..			3,368,577 50
To bills payable and other Liabilities, including provision for contingencies..			16,138,708 98
To Rebate Account..			81,229 90
To Liabilities on Endorsements..$1,639,405 92			
To Profit and Loss Account:			
Balance brought forward from 30th June, 1905..	192,257 76		
Dividend paid October, 1905..	146,000 00		
	$46,257 76		
Net Profit for the half year ending this date, after deducting all current charges, and providing for bad and doubtful debts..	287,462 41		
	$333,720 17		
Deduct:			
Transferred to Bank Premises Account.. .. .. $48,666 66			
Transferred to Reserve Fund.. .. .. 97,333 33			
Transferred to Officers' Widows' and Orphans' Fund.. .. .. 2,500 00			
Transferred to Officer's Pension Fund.. .. .. 2,951 65			
Transferred to Officers' Life Insurance Fund.. 973 33			
	152,424 97		
Balance available for April Dividend..			181,295 20
			$47,001,462 87

Cr.

By cash and Specie at Banks and in Hand..	$ 3,782,453 58		
By Cash at Call and Short Notice	10,905,581 58		
			$14,688,035 16
By Investments— Consols, £253,000 at 86	$1,058,889 33		
National War Loan £50,000 at 90... ...	219,000 00		
	$ 1,277,889 33		
Dominion of Canada Bonds, £140,000 at 97..	660,893 33		
Other Securities..	663,706 90		
			2,602,489 56
By Bills Receivable, Loans on Security, and other Accounts..			28,714,071 41
By Bank Premises, etc., in London, and at the Branches..			841,691 32
By Deposit with Dominion Government required by Act of Parliament for Security of General Bank Note Circulation..			155,175 42
Note.—The latest monthly Return received from Dawson is that of the 30th November, 1905, and the figures of that Return are introduced into this Account. The balance of the transactions for December with that Branch has been carried to Suspense Account, pending the receipt of the December accounts.			
			$47,001,462 87

We have examined the above Balance Sheet with the Books in London, and the Certified Returns from the Branches, and find it to present a true statement of the Bank's affairs.

EDWIN WATERHOUSE,
GEORGE SNEATH,
Auditors. (Of Price Waterhouse & CO, Chartered Accountants).

London, 22nd February, 1906.