

Time will separate the securities which represent good value and earning power from those which do not, and will bring into the light the speculators who have embarrassed themselves through real estate operations.

I will now refer very briefly to general business conditions, of which I am glad to say a quite satisfactory account can be given.

In the Maritime Provinces the crops were good except the apple-crop in Nova Scotia, which was a disappointment. The lumber industry has, on the whole, had a fair year. The fisheries have been good, and the mining operations constitute a record.

In the province of Quebec the crops were satisfactory and prices good. An exception has also to be made here in the case of fruit, especially apples, which were far below the average. In the lumber industry, logging conditions during the previous winter were not favorable, owing to the want of snow, and some logs did not reach the mills, but demand and prices were good, and the industry, upon the whole, had a satisfactory year.

In Ontario the crops were a good average and prices high. The lumber industry, while not so prosperous as in some former years, did fairly well, and in mining there was a good year with increased output.

In the Prairie Provinces there was an excellent crop, larger in quantity than the previous year, and of exceptionally high quality. Though prices were not quite so good as in 1912, the total value of the crop was a little ahead of that year.

In British Columbia the crops consist principally of fruit, and were very satisfactory. Mining, taken on the whole, was prosperous, in spite of a protracted strike in the coal mines at Nanaimo. The fisheries also had a good year, 1913 being the big year on the Fraser River, which occurs once in four years; the northern canneries did not do so well, but the average result was satisfactory. The lumber-trade in British Columbia is depressed, and those interested in this industry have had a poor year.

From the above brief synopsis it will be seen that, except for the lumber trade in British Columbia, conditions in the natural industries of the country may be called generally sat-

## BALANCE SHEET, 29th NOVEMBER, 1913.

LIABILITIES.		ASSETS.	
Capital .....	\$4,866,666.66	Current Coin and Bullion .....	\$1,142,584.45
20,000 shares of £50 each, fully paid.		Dominion Notes .....	4,236,891.49
Reserve Fund .....	3,017,333.33		\$5,379,475.94
Dividends Declared and Unpaid .....	5,359.53	Notes of other Banks .....	314,863.23
<b>Profit and Loss Account:—</b>		Cheques on other Banks .....	2,206,599.65
Balance brought forward from 30th Nov., 1912 .....	\$288,113.45	Balances due by other Banks in Canada .....	21,622.94
Dividend paid April, 1913 .....	194,666.66	Balances due by Banks and Banking Correspondents elsewhere than in Canada .....	1,411,389.91
	\$ 93,446.79	Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian—Exchequer Bonds, £310,300, at cost .....	1,505,165.22
Net profit for the year ending this date after deducting all current charges, and providing for bad and doubtful debts .....	689,745.10	Railway and other Bonds .....	103,411.71
	\$783,191.89	Call and Short Loans in Canada on Bonds, Debentures and Stocks .....	1,657,343.51
Dividend paid October, 1913 .....	194,666.66	Call and Short Loans elsewhere than in Canada .....	7,665,799.93
	\$588,525.23	Other Current Loans and Discounts in Canada (less Rebate of Interest) .....	28,696,964.70
<b>Deduct:—</b>		Other Current Loans and Discounts elsewhere than in Canada (less Rebate of Interest) .....	7,718,635.00
Transferred to Reserve Fund .....	\$97,333.23	Liabilities of Customers under Letters of Credit as per contra .....	1,793,312.74
Transferred to Bank Premises Account .....	97,333.33	Real Estate other than Bank Premises .....	208.18
Transferred to Officers' Widows' and Orphans' Fund .....	7,440.72	Overdue Debts (estimated Loss provided for) .....	238,631.18
Transferred to Officers' Life Insurance Fund .....	1,946.66	Bank Premises at not more than Cost, Less Amounts Written off .....	1,694,736.73
Transferred to Officers' Pension Fund .....	44,866.95	Deposit with the Canadian Minister of Finance for the purposes of the Circulation Fund—Dominion of Canada 3¼ per cent. Bonds, £250,000, at 98 .....	\$1,192,333.33
Staff Bonus .....	36,500.00	Cash .....	232,248.06
	\$285,420.99		1,424,581.39
Balance available for April Dividend .....	303,104.24	Deposit in Central Gold Reserves .....	250,000.00
Notes of the Bank in Circulation .....	4,876,309.74	Other Assets and Accounts not included in the Foregoing .....	562,148.16
Deposits not Bearing Interest .....	13,437,952.86		
Deposits Bearing Interest, including Interest accrued to date .....	24,792,977.77		
Balance due to other Banks in Canada .....	1,023.05		
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries .....	448,694.47		
Bills Payable .....	7,616,510.00		
Acceptances under Letters of Credit .....	1,793,312.74		
Liabilities and Accounts not included in the Foregoing .....	1,585,645.73		
Liability on Endorsements .....	\$213,047.38		
Liability under Guarantee in respect of the Sovereign Bank of Canada .....	\$300,000.00		
	\$62,644,890.12		
			\$62,644,890.12

E. A. HOARE, } Directors.  
F. LUBBOCK, }  
H. B. MACKENZIE, General Manager.

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 as shown by the books and returns.

G. SNEATH,  
N. E. WATERHOUSE,  
Auditors,

Of the Firm of  
Price, Waterhouse & Co.,  
Chartered Accountants.

London, 17th February, 1914.