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THE MERCHANTS BANK OF CANADA

Proceedings of the Fifty-Sixth Annual Meeting of Shareholders on June 4th, 1919

The Fifty-sixth Annual Meeting of the Shareholders of The Merchants Bank of Canada was held Wednesday, June 4, 1919 in the Board Room at the Bank's Head Office at Montreal. The meeting was called to order at 12 o'clock noon.

Among those in attendance were:

Sir H. Montagu Allan, Mr. K. W. Blackwell, Mr. F. Orr Lewis, Mr. A. J. Dawes, Mr. F. Howard Wilson, Mr. Farquhar Robertson, Mr. Geo. L. Cains, Mr. Alfred B. Evans, Mr. E. F. Hebden, Lt.-Col. Jas. R. Wilson, Mr. Farqunar Robertson, Mr. Geo. L. Cains, Mr. Alfred B. Evans, Mr. E. F. Heodes, Lt.-Col. Jas. R. Moodie, Mr. Lorne C. Webster, and Messrs. A. Browning, John Patterson, R. Campbell Nelles, A. A. MacDougall, S. M. Baylis, J. E. Hayden, P. C. Elgee, W. B. Blackader, A. Haig Sims, D. Kinghorn, R. S. White, P. E. Bilkey, I. D. Johnston, D. C. Macarow, T. E. Merrett, J. D. G. Kippen, W. M. Ramsay, V. Harcourt, A. B. Patterson, R. H. Arkell, T. A. McKay, A. C. Fraser, W. G. Hinds, R. G. Sare, W. B. Har-shaw, F. J. Shreve, G. Tansley, W. P. Lemesurier, J. Gillespie Muir, C. A. Harcourt, H. R. Little, H.B.Loucks, M. W. P. Leither, M. P. Lemesurier, J. Gillespie Muir, C. A. Harcourt, H. R. Little, H.B.Loucks, J. M. Kilbourn, W. B. Leitch.

On motion of Mr. K. W. Blackwell, the President, Sir H. Montagu Allan, was asked to take the chair. Mr. J M. Ki bourn was appointed Secretary of the meeting, and read the notice calling the meeting.

The minutes of the last annual meeting were taken as read. The President, Sir H. Montagu Allan, then presented the Annual Report, as follows:

THE ANNUAL REPORT

I beg to submit on behalf of the Directors the Fifty-sixth Annual Statement of The Merchants Bank of Canada as at the close of business on the evening of the 30th April, 1919, together with a Statement of the Profits covering the relative period.

Notwithstanding ever-mounting operating costs, the net profits resulting from the year's business were \$1,383,569,40, being an increase over last year of \$146,888.44, a showing which, I believe, you will

During the past year your Directors felt warranted in distributing an extra dividend of 1 per cent. and in placing the stock upon an 11 per cent. basis. No doubt their action in this respect will have your

The financial position of the Bank as reflected in detail in the Balance Sheet before you, will meet, I am entire approval.

Another Victory Loan last autumn was generously subscribed to by the Bank's clientele throughout the country, their total subscriptions reaching the very large sum of \$45,810,400, of which but \$4,333,800 was made up of conversions from previous issues. This left a net amount of \$41,476,600 paid in cash through the six months period, and yet, despite this heavy withdrawal, our deposits for the year show the gratifying increase in total of \$24,780,330, or 21.85 per cent. over last year's figures, the Savings Department receiving \$15,958,008 of this gain.

Commercial Discounts have also grown apace, having increased \$19,680,410 during the year, indicating that the earning power of the Bank has been well maintained and that we are, to the common good, lend-ing our full support to the agricultural and other producing industries of the country. For, it may in truth be said, this important increase is made up of advances in one way and another towards assisting essentially reducting industries thermoheut the Dominier. productive industries throughout the Dominion.

An issue of 1,400,000 of new stock has been made, but as the allotment was to Shareholders of record at 30th April, the matter will fall for reference more appropriately at next year's meeting. Suffice it to say in the meantime that the new allotments are being satisfactorily taken up,—a large proportion indeed, having already been paid for in full in advance of the instalment dates.

Since the signing of the Armistice on the listament dues. Since the signing of the Armistice on the 11th November last, we have opened numerous Branches and Sub-Branches at points carefully selected during the long period (ending with the Armistice), in which all the Banks maintained a strict embargo against branch extensions. These new fields of endeavour and profit are, in prictically every case, realizing our expectations and while the relative initial expense is not in-considerable, we have every reason to believe we shall be rewarded by amply profitable results in due course.

You will, I am sure, join with your Directors in extending to the members of the staff, one and all, a word of cordial appreciation for their loyal and efficient services, to which the measure of progress the

Bank has enjoyed is in no small degree attributable. Buring the course of the year death removed our esteemed colleague, Mr. Andrew A. Allan, and in his untimely end the Bank has suffered a heavy loss, deeply deplored by all connected with the institution. He was a man of sound judgment and high principles, whose advice was at all times as valued as he person-

ally was esteemed and respected. The vacant seat upon the Directorate has been filled by the appointment of Mr. Lorne C. Webster, a large shareholder in the Bank and a man of wide business experience, connected with many important commercial enterprises

All the various offices of the Bank have been inspected during the past twelve months.

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The Auditors' Certificate is appended. All of which is respectfully submitted.

H. MONTAGU ALLAN, President.