

## UNION BANK OF CANADA—Continued. PROFIT AND LOSS ACCOUNT.

Balance at credit of account, 29th November, 1913.....	\$ 90,579.03
Net profits for the year, after deducting expenses of management, interest due depositors, reserving for interest and exchange, and making provision for bad and doubtful debts, and for rebate on bills under discount, have amounted to.....	712,440.48
	<b>\$803,019.51</b>
Which has been applied as follows:	
Dividend No. 108, 2 per cent., paid 2nd March, 1914.....	\$100,000.00
Dividend No. 109, 2 per cent., paid 1st June, 1914.....	100,000.00
Dividend No. 110, 2 per cent., paid 1st September, 1914.....	100,000.00
Dividend No. 111, 2 per cent., payable 1st December, 1914.....	100,000.00
Bonus of 1 per cent., payable 1st March, 1915, to shareholders of record as on 13th February, 1915.....	50,000.00
Reserved for depreciation in securities owned by the Bank.....	215,000.00
Contribution to Canadian Patriotic Fund.....	25,000.00
Contribution to Officers' Pension Fund.....	10,000.00
Balance of Profits carried forward.....	103,019.51
	<b>\$803,019.51</b>

### REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE UNION 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 audited the above Balance Sheet with the books and vouchers at Head Office and with the certified returns from the branches.

We have obtained all the information and explanations that we have required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In addition to our verification at the 30th November, we have, during the year, checked the cash and verified the securities representing the investments of the Bank at its chief office and principal branches and found them to be in agreement with the entries in the books of the Bank relating thereto.

In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Bank, according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

T. HARRY WEBB, E. S. READ, C. R. HEGAN, Auditors,  
of the firm of  
WEBB, READ, HEGAN, CALINGHAM & CO.,  
Chartered Accountants.

The President, Mr. John Galt, in moving the adoption of the Report, referred to the strong position which the Bank had maintained during the financial crisis and that they had not found it necessary to curtail loans for legitimate purposes. During the present war conditions our first duty is to defend the Empire; our next to devote all our energy to replacing the wastage of the war by increased production, and it is to our farmers chiefly that this must be looked for. A splendid beginning has been made in an increase of about 20 per cent. in the land ready for next year's crop. Hard work, courage, and intelligent economy will undoubtedly bring us safely through the present ordeal. We have a fertile land with a hardy, vigorous and industrious population, and though for the time being our progress may be checked, nothing can stop Canada from becoming a great and prosperous country.

In closing, he expressed the regret which he knew would be felt by all the Shareholders, at the unavoidable absence of Mr. G. H. Balfour, the General Manager, on account of his serious illness, and requested Mr. H. B. Shaw, the Assistant General Manager, to read the report.

#### GENERAL MANAGER'S ADDRESS.

The General Manager referred to the unsettled financial conditions which are gradually righting themselves, but it would be necessary to continue a policy of extreme caution, and maintain a strong financial position.

The action of the Finance Minister in making Bank Notes legal tender and in promising financial assistance to the Banks (if required) had been of great assistance in steadying the financial situation and in avoiding anything in the nature of a panic.

It is a hopeful sign that the necessity for economy has been universally recognized, and that efforts have been put forth generally to develop our natural resources along lines that will give the best results.

The profits were at the rate of 14.25% on the Paid-up Capital and were slightly less than last year. Securities have been written down by the sum of \$215,000, which is merely a reasonable precaution in view of the present unsettled conditions. \$25,000 has been donated to the Canadian Patriotic Fund.

The policy of maintaining a strong position has been continued and our Liquid Assets are 34.90% of our

Liabilities to the Public, with other sources of strengthening our position available.

Provincial Government Deposits show a decrease, but Public Deposits show an increase of \$386,409.75.

Amount due by Banks and Banking correspondents, elsewhere than in Canada, shows an increase of \$2,363,261.11, which is immediately available.

Bonds, Debentures and Stocks show an increase of \$1,242,528.57.

We have subscribed for £50,000 of the recent British War Loan.

Call and Short Loans, elsewhere than in Canada, show a decrease of \$4,700,409.65. Other current Loans and Discounts, elsewhere than in Canada, show a decrease of \$1,167,657.35. Current Loans in Canada show an increase of over \$4,000,000.00.

Total Assets amount to \$81,561,849.94, showing an increase of approximately \$800,000.

Mr. R. T. Riley, the Vice-President, in seconding the motion for the adoption of the Report, referred to the fact that for fifty years the Union Bank has stood the test of time and with "business as usual" for our motto, we look forward with confidence to what the next fifty years has in store for us.

#### AUDITORS.

Messrs. T. Harry Webb, C.A.; E. S. Read, C.A.; and C. R. Hegan, C.A., were re-appointed Auditors of the Bank.

A resolution of sympathy for the General Manager, Mr. G. H. Balfour, during his serious illness, was passed, and the hope was expressed that he might be speedily restored to health and strength.

The customary resolutions of thanks to the Directors and Staff were passed.

The Scrutineers reported the following gentlemen elected as directors for the ensuing year: Sir William Price, Messrs. John Galt, R. T. Riley, Geo. H. Thomson, E. L. Drewry, F. E. Kenaston, Wm. Shaw, W. R. Allan, M. Bull, Hon. Samuel Barker, P.C., M.P.; E. E. A. DuVernet, K.C.; Stephen Haas, Lieut.-Col. John Carson, J. S. Hough, K.C.; P. B. Cronyn.

The Meeting then adjourned.

At a subsequent meeting of the newly elected Board, Sir William Price was elected Honorary President; Mr. John Galt, President; Mr. R. T. Riley and Mr. Geo. H. Thomson, Vice-Presidents.