

REPORT OF THE DIRECTORS

OF THE

Bank of British North America

Presented to the Proprietors at their Sixty-ninth Yearly General Meeting

Dr.	Balance Sheet for Half-Year Ending 31st December, 1904.	Cr.
To Capital	\$4,866,666 66	
20,000 shares at £50 each, fully paid		
To Reserve Fund	2,044,000 00	
To Deposits and Current Accounts	17,887,704 44	
To Notes in Circulation	3,017,607 30	
To Bills payable and other Liabilities, including		
Provision for Contingencies	10,979,817 73	
To Rebate Account	80,287 90	
To Liabilities on Endorsements	\$1,222,256 57	
To Profit and Loss Account—		
Balance brought forward from		
30th June, 1904	176,817 12	
Dividend paid October, 1904	146,000 00	
	\$ 30,817 12	
Net profit for the half-year ending		
this date, after deducting all		
current charges, and provid-		
ing for bad and doubtful debts	298,527 83	
	\$329,344 95	
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 Officers'		
Pension Fund	2,771 30	
	151,271 29	
Balance available for April		
Dividend	178,073 66	
	\$39,054,157 69	
By Cash and Specie at Bankers		
and in Hand	\$3,645,661 43	
By Cash at Call and Short		
Notice	7,935,271 00	
	\$11,580,932 43	
By Investments:—		
Consols £225,000 at 86	\$941,700 00	
National War Loan.		
£50,000 at 90	219,000 00	
Exchequer Bonds,		
£25,000	119,461 46	
	1,280,161 46	
Dominion of Canada Bonds,		
£140,000 at 97	660,893 33	
Other Securities	650,142 00	
	2,591,196 79	
By Bills Receivable, Loans on Security, and		
other Accounts	23,853,783 46	
By Bank Premises, etc., in London, and at		
the Branches	877,580 28	
By Deposit with Dominion Government re-		
quired by Act of Parliament for Security		
of General Bank Note Circulation	150,655 73	
Note.—The latest monthly Return received		
from Dawson City is that of the 30th No-		
vember, 1904, and the figures of that Re-		
turn are introduced into this Account.		
The balance of the transactions for De-		
cember with that Branch has been carried		
to a suspense account, pending the receipt		
of the December accounts.		
	\$39,054,157 69	

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.
G. SNEATH.

London, 23rd February, 1905.

Auditors.

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

The annual general meeting of the proprietors of the Bank of British North America was held on Tuesday, March 7, at the office of the corporation, No. 5 Gracechurch Street, London, Mr. E. A. Hoare presiding.

The Secretary (Mr. A. G. Wallis) having read the notice and the auditors' report,

The Chairman said: Before making any reference to the balance-sheet which is in your hands to-day, I must say a few words respecting one paragraph in the report issued with the balance-sheet of June 30 last. We then said:—"The sum of £4,180 has been set aside out of the profits of the half-year to meet the depreciation in the bank's investment in Dominion of Canada Bonds, which will here-

after stand in the books at 97." Having been obliged in December, 1903, to set aside out of profits the sum of £9,000 to provide for depreciation in our Consols, we felt that it was rather hard that this further appropriation in respect of our Canada Bonds should be necessary; but you no doubt understood perfectly well that it was rendered necessary by market fluctuations alone, and that, as the quotation on the Stock Exchange had fallen, it was necessary for us to write down our investment to that level, although we are well aware that on its merits a Dominion of Canada Bond is worth more to-day than it ever has been before. It is satisfactory to be able to add that a recovery in values has already taken place, and that our investment is to-day