

THE MERCHANTS BANK OF CANADA

Statement of Liabilities and Assets at 30th April, 1919.

LIABILITIES			
1. To the Shareholders			
	1919	1918	
Capital Stock paid in	\$ 7,000,000.00	\$ 7,000,000.00	
Reserve Fund	7,000,000.00	7,000,000.00	
Dividends declared and unpaid	194,194.00	176,900.00	
Balance of Profits as per Profit and Loss Account	574,043.32	437,973.92	
	\$ 14,768,237.32	\$ 14,614,873.92	
2. To the Public			
Notes of the Bank in Circulation	13,316,033.00	12,327,168.00	
Deposits not bearing interest	43,552,214.61	34,886,747.83	
Deposits bearing interest (including interest accrued to date of Statement)	91,904,993.37	75,946,985.48	
Deposits due to other Banks in Canada	2,014,696.64	1,400,941.75	
Deposits due to Banks and Banking Correspondents in the United Kingdom and foreign countries	105,076.96	1,161,976.79	
Bills payable	464,153.05	598,851.20	
Acceptances under Letters of Credit			
Liabilities not included in the foregoing			
	\$166,725,404.95	\$140,937,544.97	
ASSETS			
Current Coin	\$ 4,946,946.33	\$ 4,890,061.36	
Deposit in the Central Gold Reserves	7,000,000.00	6,000,000.00	
Dominion Notes	8,405,602.50	5,912,092.50	
Notes of other Banks	985,044.00	893,076.00	
Cheques on other Banks	6,082,616.99	5,311,786.12	
Deposits due by other Banks in Canada	3,215.80	4,704.37	
Deposits due by Banks and Banking Correspondents in the United Kingdom	123,496.50	82,580.53	
Deposits due by Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom	1,903,040.10	1,357,843.03	
Dominion and Provincial Government Securities, not exceeding market value	6,005,573.65	5,435,464.66	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	4,119,705.32	4,060,204.70	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian	15,238,399.32	14,589,065.54	
Call Loans in Canada on Bonds, Debentures and Stocks	5,134,000.71	5,223,953.88	
Call Loans elsewhere than in Canada	2,801,857.72	3,906,648.93	
	\$ 62,750,188.94	\$ 57,607,481.62	
Current Loans and Discounts in Canada (less Rebate of Interest)	95,874,426.04	76,194,016.15	
Current Loans and Discounts elsewhere than in Canada (less Rebate of Interest)	332,918.12	339,987.29	
Liabilities of Customers under Letters of Credit as per contra	464,153.05	598,851.20	
Real Estate other than bank premises	782,326.64	312,928.11	
Overdue Debts, estimated loss provided for	386,973.56	272,226.60	
Bank premises at not more than cost (less amounts written off)	5,253,269.48	4,886,438.98	
Deposit with the Minister for the purpose of the Circulation Fund	366,000.00	355,000.00	
Other Assets not included in the foregoing	515,149.12	310,615.02	
	\$166,725,404.95	\$140,937,544.97	
H. MONTAGU ALLAN, President.			
D. C. MACAROW, General Manager.			

Report of the Auditors to the Shareholders of The Merchants 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 examined the above Balance Sheet with the Books of Account and other records at the Chief Office of the Bank and with the signed returns from the Branches and Agencies and have checked the cash and verified the securities of the Bank. The Chief Office against the entries in regard thereto in the books of the Bank at 30th April, 1919, and at a different time during the year and found them to agree with such entries. We also attended at some of the Branches during the year and checked the cash and verified the securities held at the dates of our attendance and found them to agree with the entries in regard thereto in the books of the Bank.

We have obtained all the information and explanations we have required. In our opinion, the transactions of the Bank which have come under our notice have been within the powers of the Bank, and the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

VIVIAN HARCOURT, } Auditors.
GORDON TANSLEY, }
(of the firm of Deloitte, Plender, Griffiths & Co.)

Montreal, 23rd May, 1919.

A HINT TO TRACTOR AGENTS

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relative advantages in money of different new methods.

The salesman must do this.

Until the present campaign for business methods and bookkeeping on the farm shows effects in the more remote districts and on the smaller farmers, the tractor and implement salesman must work up the figures on cost and carry them to the farmer to convince him of the adaptability of a certain kind of tractor or implement for his farm. And in working out these figures the dealer must be careful that they are as fair and unbiased as possible. To

fool the farmer with fictitious figures is to fool oneself in the long run. It is as bad as selling him a tractor, regardless of the work it is to do. In principle it is the same action.

To be honest with the farmer and lay a foundation for a continued success in tractor selling it is necessary for a dealer to become thoroughly acquainted with the abilities of the tractor he is selling — not the freak abilities, but the constant reliable abilities that are a part of its regular performance. He must be familiar with its work under all conditions and should know under what conditions it does not perform economically. As yet there is no

tractor that will do satisfactory work under all the thousand and one conditions and kinds of work, through the length and breadth of the U. S. A. The salesman and dealer should know where his tractor excels and where it is inferior. It is unwise to the dealer not to admit that under certain conditions of soil and topography and work the tractor he is selling is not economical. If it is sold for this kind of work the farmer will learn in time that he has made an unprofitable investment and forthwith he becomes a negative advertisement for that tractor, and his confidence in tractor performance is destroyed.

Co-operate With Farmer

When the dealer fully appreciates what the tractor is capable of doing, he should go out to the farmer when he is least busy and discuss with him his power problems. If he has a 320-acre farm, for instance, without thinking twice, the dealer might decide that a 4-plow tractor would be suitable for the work. If, however, he learns that a considerable portion of the acreage is planted in corn which needs cultivation, he would decide that the most economical outfit would be a smaller tractor and a motor cultivator. Again, if the territory is subject to sudden heavy rains and the farmers must plow their ground very quickly in a short time, it might prove that the cheapest outfit in the long run would be safer to use a 4-or 5-power to perform to maximum in a rush plowing period, and to get the work done when the ground is in the proper condition, it would be a tractor with plenty of plow tractor.

Suppose the work is diversified, with considerable belt work of a light nature. By considering all methods and kinds of outfits, it might be decided that the cheapest for this kind of a farm would be two very small tractors that could be used in plowing; and on the belt at the same time if need be. Only by an intelligent consideration of the farmer's requirements as learned from him, and a thorough knowledge of the performance of the tractors on the market, can a dealer determine whether the machine he is selling will prove satisfactory to the farmer and result in increased confidence and repeat orders.

Selling Satisfactory Tractor Performance

If through this method of determining the needs of the farmer the dealer would be much better met by a tractor different in type and performance from the one he is selling, better would it be for the tractor business and the dealer himself if the farmer were told that he could not be guaranteed economical performance under any condition with this tractor, but would have to buy a different type. If after he is warned of this he still prefers the dealer's tractor for some reason, it can be sold or not, as the dealer's judgment dictates. Many would consider him an undesirable owner.

What this method of selling tractors means is that the dealer selling the farmer on performance. The same method is having a big and beneficial effect on motor truck selling. Instead of selling trucks, the more wide awake and discerning dealers are selling truck transportation as