

The Merchants Bank of Canada

Proceedings of the Fifty-fifth Annual Meeting of Shareholders on June 5th, 1918

The fifty-fifth Annual Meeting of the Shareholders of the Merchants Bank of Canada was held Wednesday, June 5th, in the Board Room at the Head Office of the Bank at Montreal. The meeting was called to order at twelve o'clock noon.

On motion of Mr. John Patterson the Vice-President, Mr. K. W. Blackwell, in the absence of the President (Sir H. Montagu Allan), was asked to take the chair.

Mr. J. M. Kilbourn was appointed Secretary of the meeting.

The minutes of the last annual meeting were taken as read.

The Chairman, Mr. K. W. Blackwell, then presented the Annual Report, as follows:—

It is my privilege to submit for your approval the Fifty-fifth Annual Statement of the Merchants Bank of Canada as at the close of business on the evening of the 30th April, 1918, the last day of the Bank's fiscal year, accompanied by a statement of the Profits covering the same period.

You will observe, with satisfaction, I doubt not, that the profits as a result of the year's operations amount to \$1,236,680.96, being an increase over last year of \$116,372.12.

Subscriptions by the Bank's clientele throughout the country to that important piece of national financing, known as the Victory Loan, amounted to no less a sum than \$25,000,000, distributed amongst fifty-three thousand depositors. Notwithstanding the heavy consequent withdrawals, our deposits have grown about \$20,000,000, or roughly, twenty-one per cent. Our commercial advances have correspondingly increased, thus enabling us, while maintaining a proper measure of liquid strength, to materially improve our earning power.

The whole position as reflected by the Balance Sheet will be viewed, I am sure, with feelings of entire satisfaction.

There has been no activity during the course of the year in branch extensions, owing to the exigencies of the staff situation. Indeed, we are, in all the circumstances, doing well to keep pace with the development of our business under the difficulties by which we are surrounded in this respect.

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

The Auditors' Certificate is appended.

All of which is respectfully submitted,

K. W. BLACKWELL,
Vice-President.

Statement of the Result of the Business of the Bank for the Year Ended 30th, April, 1918.

The Net Profits of the year, after payment of charges, rebate on discounts, interest on deposits, and making full provision for bad and doubtful debts, have amounted to	\$1,236,680.96
The balance brought forward from 30th April, 1917, was	421,292.96
Making a total of	<u>\$1,657,973.92</u>

This has been disposed of as follows:

Dividend No. 120, at the rate of 10 p.c. per annum	\$175,000.00
“ “ 121, “ “ 10 “	175,000.00
“ “ 122, “ “ 10 “	175,000.00
“ “ 123, “ “ 10 “	175,000.00
	<u>\$ 700,000.00</u>
Government War Tax on Note Circulation	70,000.00
Contribution to Officers' Pension Fund	50,000.00
Transferred to Contingent Fund	400,000.00
Balance carried forward	<u>437,973.92</u>
	<u>\$1,657,973.92</u>

K. W. BLACKWELL,
Vice-President.

E. F. HEBDEN,
Managing Director.

D. C. MACAROW,
General Manager.

Statement of Liabilities and Assets at 30th April, 1918.

LIABILITIES.

1. To the Shareholders:	1918.	1917.
Capital Stock paid in	\$ 7,000,000.00	\$ 7,000,000.00
Rest or Reserve Fund	7,000,000.00	7,000,000.00
Dividends declared and unpaid	176,900.00	178,365.00
Balance of Profits as per Profit and Loss Account submitted herewith	437,973.92	421,292.96
	<u>\$ 14,614,873.92</u>	<u>\$ 14,599,657.96</u>
2. To the Public:		
Notes of the Bank in Circulation	12,327,168.00	9,483,468.00
Deposits not bearing interest	34,886,747.83	27,101,587.86
Deposits bearing interest (including interest accrued to date of statement)	75,946,985.48	65,000,484.42
Balances due to other Banks in Canada	1,400,941.75	628,863.08
Balances due to Banks and banking correspondents in the United Kingdom and foreign countries	1,161,976.79	3,904,690.72
Bills payable		
Acceptances under letters of credit	598,851.20	441,806.78
Liabilities not included in the foregoing		
	<u>\$140,937,544.97</u>	<u>\$121,130,558.82</u>