

Fort Saskatchewan, Frank, High River, Innisfail, Lumsden, Medicine Hat, Okotoks, Oxbow, Saskatoon, Sintaluta, Wapella, Weyburn, Wolseley.

It has been found necessary to provide banking offices for our new branches, as well as furniture, safes, etc.; the outlay has been considerable, and has added largely to our bank premises account.

Our banking premises at Winnipeg have become quite inadequate for the large staff of officers employed, and it has been necessary to obtain other accommodation.

After full consideration it has been decided to purchase a site for banking premises on Main street, and contracts are now being completed for a suitable building to meet the requirements of the bank.

Considering the large interests of the bank in the Northwest, it has been deemed desirable to obtain the advice and influence of directors at Winnipeg, and it is recommended that the board of directors of the bank be increased from seven to ten members—three of whom will be specially qualified to advise on matters pertaining to our operations in Manitoba and the Northwest Territories. A resolution to that effect will be submitted for your consideration and approval.

Your directors recommend that they be empowered to obtain authority from the Treasury Board of the Dominion to increase the capital stock of the bank to the extent of \$1,000,000, to be allotted to the shareholders from time to time as deemed advisable by the directors.

There is no reason at present to expect that any part of the increase now proposed will be asked for in the near future, but it is considered prudent to have such power from the shareholders in the event of any important increase in the business of the bank requiring additional capital before the next annual meeting.

The customary inspections of the branches of the bank have been made.

A. THOMSON, President.

#### GENERAL STATEMENT.

##### LIABILITIES.

Capital stock .....	\$2,484,980 00
Reserve fund .....	\$1,000,000 00
Balance of profit and loss account carried forward .....	24,117 20
Reserve of interest and exchange .....	24,619 79
Reserved for rebate of interest on bills discounted .....	73,331 18
	<u>\$ 1,122,068 17</u>
Notes of the bank in circulation .....	\$2,379,508 00
Deposits not bearing interest .....	4,010,045 69
Deposits bearing interest .....	9,334,078 44
Balances due other banks in Canada .....	7,931 64
Dividends unclaimed .....	1,208 96
Dividend No. 73 .....	81,586 32
	<u>\$15,814,359 05</u>
	<u>\$19,421,407 22</u>

##### ASSETS.

Specie .....	\$ 338,222 24
Dominion notes .....	1,249,859 00
Deposits with Dominion Government for security of note circulation .....	91,000 00
Notes and cheques on other banks .....	466,828 00
Balances due by agents in Great Britain .....	69,322 62
Balances due by other banks in Canada .....	78,432 77
Balances due by agents in United States .....	167,124 83
Municipal and other bonds and stocks .....	101,514 22
Call loans on bonds and stocks .....	667,764 51
	<u>\$ 3,230,068 19</u>
Other loans and bills discounted current .....	\$15,537,281 66
Overdue debts (estimated loss nil) ..	31,589 27
Real estate, other than bank premises ..	41,557 35
Mortgages on real estate sold by the bank .....	23,142 24
Bank premises and furniture .....	554,788 51
Other assets .....	2,980 00
	<u>\$16,191,339 03</u>
	<u>\$19,421,407 22</u>

E. E. WEBB, General Manager.

Quebec, May 30th, 1903.

On the motion of Mr. A. Thomson, seconded by Hon. J. Sharples, the foregoing report was unanimously adopted,

and ordered to be printed, and distributed among the shareholders.

It was moved by Mr. A. Thomson, seconded by Lieut.-Col. Turnbull, and carried, that the last day for the annual meeting of shareholders be postponed from the fifteenth to the twenty-fifth day of June; also that the number of directors of the bank be increased from seven to ten.

The directors were further empowered, on the motion of Mr. A. Thomson, seconded by Mr. T. H. Norris, to dispose, should they deem it advisable, of five thousand shares of the present unissued capital stock of the bank, without allotment to existing shareholders, under certain conditions.

Mr. A. Thomson moved, and Hon. John Sharples seconded, a resolution that the capital stock of the bank be increased from three million to four million dollars, and that the directors be authorized to apply to the Treasury Board for the necessary certificate.

The balloting for directors for the ensuing year, which was next proceeded with, resulted in the election of Messrs. A. Thomson, Hon. John Sharples, D. C. Thomson, E. Giroux, E. J. Hale, Wm. Price, Wm. Shaw, E. L. Drewry, John Galt, and F. E. Kenaston.

At a subsequent meeting of the newly elected board of directors, Messrs. A. Thomson and Hon. John Sharples were elected president and vice-president, respectively.

#### MERCHANTS BANK OF CANADA.

The shareholders of the Merchants Bank of Canada met in annual session at noon, on Wednesday, 17th June, at the head office, St. James street, Montreal, the president, Mr. Montagu Allan, in the chair. With the exception of a speech from Mr. John Morrison, in which he advocated the amalgamation of the bank with that of the Bank of Montreal, Mr. Thomas Fyshe, the general manager, was the only speaker.

Mr. Fyshe, in his remarks, regarded the annual report, which shows a net profit for the year of \$733,939, as fairly good, but at the same time he saw nothing to brag about particularly. In referring to the new banks which had recently been started, he remarked that they were not wanted any more than a fifth wheel on a wagon.

Directors were elected, as follows: Mr. H. Montagu Allan, Mr. Jonathan Hodgson, Mr. J. P. Dawes, Hon. Robert Mackay, Mr. Thomas Long, Mr. C. R. Hosmer, Mr. C. F. Smith, Mr. Hugh A. Allan and Mr. C. M. Hays.

The chief items of interest in the statement presented to the shareholders are as follows:

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 .....	\$733,939 27
The balance brought from last year, ending 31st May, 1902, was .....	25,305 88

Making a total of .....

This has been disposed of as follows:

Dividend No. 68, at the rate of 7 per cent. per annum .....	\$210,000 00
Dividend No. 69, at the rate of 7 per cent. per annum .....	210,000 00
	<u>\$420,000 00</u>
Written off bank premises account .....	50,000 00
Contribution to officers' pension fund .....	15,000 00
Added to rest .....	200,000 00
Leaving a balance to be carried forward to next year of .....	74,245 15
	<u>\$759,245 15</u>

#### CLEARING HOUSE FIGURES.

The following are the figures for Canadian clearing houses for the week ended with Thursday, June 18, 1903, compared with those of the previous week.

CITIES	June 18, 1903	June 11, 1903
Montreal .....	\$31,320,506	\$29,951,684
Toronto .....	18,423,619	18,787,649
Winnipeg .....	4,547,333	4,903,589
Halifax .....	1,784,213	2,254,984
Hamilton .....	1,041,880	1,193,722
St. John .....	997,488	1,028,608
Vancouver .....	1,325,059	1,240,231
Victoria .....	592,532	623,177
Quebec .....	1,731,593	1,822,886
Ottawa .....	2,204,495	2,338,738
London .....	935,015	855,073
	<u>\$ 64,904 733</u>	<u>\$65,000 391</u>