

## THE REPORT.

The directors of the Merchants Bank of Canada, in presenting to the Stockholders another annual statement, beg to say that the business of the Bank during the year just closed has been well maintained.

The amounts of Deposits and Circulation, as will be seen by the statement just issued have followed closely in the line of last year's business, but the Loans and Discounts exhibit a considerable increase, owing to the active demand for money that has prevailed during the last few months, and still continues.

The directors, as reported to the Stockholders a year ago, and acting on the resolution of a former meeting, issued during the year an additional \$200,000 of stock at a premium of 45 per cent. This stock has all been paid up, and the capital of the Bank now stands at six millions of dollars. The amount of premium, namely, \$90,000, was added to the Rest; and, with the sum of \$175,000 added in addition out of the profits of the year, this important fund has now been brought up to the sum of \$2,900,000. This sum, though bearing a ratio to the capital of over 48 per cent., is only 16 per cent. of the mercantile discounts of the Bank, the risk on which is intended to be covered by this fund.

The net profits of the year, after payment of interest and charges, and deducting appropriations for bad and doubtful debts, have amounted to...

For bad and doubtful debts, have amounted to...	\$694,395 38
Premium 45 per cent. on new stock issued.....	90,000 00
Balance from last year.....	3,733 28
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	\$698,128 66
This has been disposed of as follows:—	
Dividends Nos. 48 and 49, making 7 per cent. ....	\$419,166 87
Added to the Rest Premium 45 per cent. on new stock issued as above. \$ 90,000 00	
From this year's profit's....	175,000 00
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	\$665,000 00
Carried forward to profit and Loss Account of next year.....	13,961 79
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	\$698,128 66

The condition of financial matters in the United States and Australia has called for careful attention during the year, while the prevalence of a speculative spirit, the tendency of undue expansion of credit in various directions, both public and mercantile, and the condition of the market for some of our leading staples, must in the opinion of your Board, be an occasion of great watchfulness on the part of bankers for some time to come. The outlook, however, for other branches of trade is satisfactory, and it is to be hoped that the adverse circumstances referred to may by wise legislation and conservative action on the part of all concerned pass away without damage.

In view of the many interests of the bank in the neighborhood of Preston, Ontario, the Board have thought it desirable to open a Branch there.

The officers of the bank have discharged their duties with zeal and fidelity, and to the satisfaction of the Board.

The whole respectfully submitted,

(Signed), ANDREW ALLAN,  
President.

MONTREAL, June 16th, 1893.

## STATEMENT OF ASSETS AND LIABILITIES AT 31ST MARCH, 1893.

## Liabilities.

## 1.—To the Public:

		Last Year.
Notes in circulation.....	\$ 2,665,932 00	\$ 2,731,797 00
Deposits not bearing interest.....	\$2,748,536 91	2,522,246 80
Deposits bearing interest .....	7,359,732 20	7,319,756 15
Interest due thereon to date.....	76,127 27	\$2,216 15
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	\$10,184,396 38	
Balances due to Canadian Banks keeping Deposit Accounts with this Bank.....	757,472 97	720,057 19
Balances due to Canadian Banks in Daily Exchange.....	2,030 19	27,695 68
Balances due to Agents in Great Britain.....	709,300 13	334,798 87
Dividend No. 49.....	210,000 00	202,972 00
Dividends unclaimed.....	1,526 00	1,648 30
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	\$14,530,657 67	\$13,943,188 34

## 2.—To the Stockholders:

Capital paid up.....	6,000,000 00	5,799,200 00
Rest.....	2,910,000 00	2,635,000 00
Contingent account.....	86,320 00	75,800 00
Balance of Profit and Loss Account carried to next year..	13,461 79	3,733 28
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	\$23,530,939 46	\$22,456,921 62
<i>Assets</i>		
Gold and Silver Coin on hand...	\$ 290,572 60	\$ 305,558 00
Dominion Notes on hand.....	781,397 00	553,181 00
Notes and Cheques of other Canadian Banks.....	592,935 33	601,261 31
Balance due by other Canadian Banks in Account and daily exchanges.....	96,495 78	76,246 38
Balances due by Banks and Agents in the United States...	625,916 64	631,704 19
Dominion Government Bonds...	1,078,132 45	769,981 00
Railway and Municipal Debentures.....	263,076 50	127,300 00
Call and Short Loans on Bonds and Stocks.....	827,495 85	1,698,636 61
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Total available assets .....	\$ 4,556,022 55	\$ 4,764,169 17
Time loans on Bonds and Stocks \$144,425 00		121,181 25
Other loans and discounts.....	17,732,071 41	17,518,175 43
Loans and discounts overdue (loss provided).....	107,210 17	127,238 71
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	\$17,983,706 58	
Deposits with Dominion Government for security of Note circulation.....	453,699 00	70,000 00
Mortgages, Bonds and other Securities, the Property of the Bank.....	113,528 48	122,746 11
Real Estate.....	188,837 08	203,977 74
Bank Premises and Furniture...	519,553 24	508,173 28
Other Assets.....	15,591 93	21,259 95
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	\$23,530,939 46	\$23,406,921 62

(Signed), G. HAGUE, General Manager.

The president then moved, seconded by the vice-president:—  
"That the report of the directors, as submitted, be and the same is hereby adopted, and ordered to be printed for distribution amongst the stockholders."

Before putting the motion to the meeting, however, the president called upon the General Manager, Mr. George Hague, for a few remarks upon the financial outlook.

After Mr. Hague's remarks and those of some of the shareholders, Mr. John Crawford moved, and Mr. J. H. R. Molson seconded:—

"That the thanks of the stockholders are due and are hereby tendered to the president, vice-president and directors for the manner in which they have conducted the institution during the past year, and to the general manager for his efficient management during the year."

The motion was carried unanimously,  
Col. Kippen moved and Mr. Francis seconded:—

"That Messrs. J. Y. Gilmour and J. P. Cleghorn be appointed scrutineers of the election of directors about to take place; that they proceed to take the votes immediately; that the ballot shall close at three o'clock p.m., but if an interval of ten minutes elapse without a vote being tendered, that the ballot shall thereupon be closed immediately."

The motion was unanimously concurred in.

It was moved by Mr. Hector Mackenzie, seconded by Mr. T. H. Dunn:

"That the thanks of the meeting are due and are hereby tendered to the chairman for his efficient conduct of the business of the meeting."

The motion was carried unanimously, and shortly afterwards the scrutineers reported that the following gentlemen had been duly elected as directors:

ANDREW ALLAN,  
ROBERT ANDERSON,  
HECTOR MACKENZIE,  
JONATHAN HODGSON,  
JOHN CASSIDY,  
H. MONTAGU ALLAN,  
JAMES P. D. DAWES,  
T. H. DUNN,  
SIR JOSEPH HICKSON,

The meeting then adjourned.

The new Board of Directors met in the afternoon, when Mr. Andrew Allan was re-elected president, and Mr. Robert Anderson, vice-president.