MERCHANTS' BANK of CANADA

The annual general meeting of the Shareholders of the Merchants' Bank of Canada was held in the Board Room of that Institution yesterday at noon, when there were present:—Sir H. Montagu Allan, Messrs. Jonathan Hodgson, James P. Dawes, Charles F. Smith, Hugh A. Allan, Thomas Long, Charles R. Hosmer, Alex. Barnet (Renfrew), E. F. Hebden, Charles Alexander, Lieut.-Col. Prevost, Richard White, Fred. W. Evans, M. S. Foley, James Moore, Capt. Benyon, Michael Burke, James Crathern, F. E. Meredith, K.C., B. A. Boas, A. D. Durnford, James Williamson and John Morrison.

The proceedings were opened by Sir H. Montagu Allan, the president, taking the chair, and requesting Mr. C. N. Read, secretary of the Bank, to act as secretary of the meeting.

THE ANNUAL REPORT.

The President submitted the following report of the Directors:—

The Directors beg to present to the Shareholders the annual statement of the Bank's business as at 31st May last.

It will be observed that the earnings have fallen somewhat short of the previous year. This has been due in large part to the generally lower rates of interest prevailing at New York and other loaning centres.

The Directors have nevertheless been able, through recoveries realized in some of the securities formerly written down, to add $200,000 to the Reserve Fund, in addition to writing $50,000 off banking premises and making the usual contribution to the Officers' Pension Fund, carrying forward a balance to the credit of Profit and Loss account of $73,197.20, which, they hope, will be gratifying to the Shareholders.

The office of General Manager having become vacant through the retirement of Mr. Thomas Fyshe, Mr. E. F. Hebden, the Superintendent of Branches and Chief Inspector, has been appointed Acting General Manager.

The various offices of the Bank have been inspected during the year.

All respectfully submitted.

H. MONTAGU ALLAN,
President.

The statement of the result of the business of the Bank for the year shows:—

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..		$649,237 66
Recoveries from other Securities..		90,000 00
The balance brought forward from last year ending 31st May, 1904 was		18,959 54
Making a total of..		$758,197 20
This has been disposed of as follows:—		
Dividend No. 72, at the rate of 7 per cent. per annum..	$210,000 00	
Dividend No. 73 at the rate of 7 per cent. per annum..	$210,000 00	
		$420,000 00
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..		73,197 20
		$758,197 20

LIABILITIES.

			1905.	1904. Last Year.
1.—To the Public—				
Notes in circulation..			$3,684,352 00	$ 3,922,803 00
Deposits at Call..		$ 6,952,775 28		5,976,617 11
Deposits subject to notice..	$20,071,759 15			18,942,088 88
Interest accrued on Deposits..	41,714 06			54,933 13
		$20,113,473 21		
Deposits due to other Banks in Canada..		1,043,368 24		995,514 27
			$28,109,616 73	
Balance due to Agents in Great Britain..				361,249 18
Dividend No. 73..			210,000 00	210,000 00
Dividends unclaimed..			423 50	407 50
			$32,004,392 23	$30,463,613 07
2.—To the Stockholders—				
Capital paid up..		$ 6,000,000 00		6,000,000 00
Rest..		3,400,000 00		3,200,000 00
Surplus Profits..		73,197 20		18,959 54
			$ 9,473,197 20	
			$41,477,589 43	$39,682,572 61

ASSETS.

		1905.	1904.
Gold and Silver Coin on hand..		$ 525,257 35	$ 525,898 93
Dominion Notes on hand..		2,844,964 00	2,698,861 03
Notes and Cheques of other Canadian Banks..		1,551,067 30	1,303,139 56
Balances due by the other Banks in Canada..		1,158 07	856 83
Balances due by Agents in United Kingdom..		314,819 33	
Balances due by Banks and Agents in the United States..		355,749 04	96,651 46
Dominion and Provincial Government Securities.		637,099 01	638,997 01
Railway, Municipal and other Debentures..		7,198,583 39	6,142,480 66
Call and Short Loans on Bonds and Stocks..		5,293,315 52	5,631,306 53
Total assets immediately available		$18,722,013 01	$17,038,191 98
Current Loans and Discounts in Canada and elsewhere..	$21,436,778 43		
Less Rebate..	163,619 62		
		$21,273,158 81	$21,202,541 08
Loans and Discounts overdue (loss fully provided for)..		196,295 14	248,865 06
Deposit with Dominion Government for security of Note Circulation..		240,000 00	236,000 00
Mortgages and other Securities, the property of the Bank..		153 374 55	123,589 78
Real Estate..		744 81	4,662 14
Band Premises and Furniture..		873,270 59	818,390 97
Other Assets..		18,732 52	10,381 63
		$41,477,589 43	$39,682,572 61

E. F. HEBDEN, Acting General Manager.