EIGHTY-SIXTH ANNUAL REPORT

The Bank of Nova Scotia

Capital Paid Up, $6,500.000 **Reserve Fund, $12,000.000**

PROFIT AND LOSS.

Balance December 30th, 1916	$ 584,653 95
Net profits for year, losses by bad debts estimated and provided for	1,295,315 52
	$ 1,879,969 47
Dividends for year at 14%	$ 910,000 00
War Tax on circulation to December 31st, 1917	65,000 00
Contribution to Halifax Relief Fund	100,000 00
Contributions to Canadian Patriotic, British Red Cross and other Funds	44,700 00
Contribution to Officers' Pension Fund	50,000 00
Written off Bank Premises Account	150,000 00
Balance carried forward December 31st, 1917	560,269 47
	$ 1,879,969 47

RESERVE FUND.

Balance December 30th, 1916	$ 12,000,000 00
Balance forward December 31st, 1917	$ 12,000,000 00

General Statement as at December 31st., 1917.

LIABILITIES.

Capital Stock paid in		$ 6,500,000 00	
Reserve Fund		12,000,000 00	
Balance of Profits, as per Profit and Loss Account		560,269 47	
Dividends declared and unpaid		229,008 50	
			$ 19,289,277 97
Notes of the Bank in circulation		12,171,422 84	
Deposits not bearing interest	$ 26,102,809 54		
Deposits bearing interest, including interest accrued to date	78,235,361 00	104,338,170 54	
		116,509,593 38	
Balances due to other Banks in Canada		511,554 12	
Balances due to Banks and Banking Correspondents in the United Kingdom		73,699 23	
Balances due to Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom		1,268,291 83	
			$ 118,363,138 56
Acceptances under Letters of Credit			644,828 53
			$ 138,297,245 06

ASSETS.

Current Coin	$ 9,701,042 43
Dominion Notes	10,426,962 00
Notes of other Banks	1,508,880 26
Cheques on other Banks	6,689,872 81
Balances due by Banks and Banking Correspondents in the United Kingdom, and sterling exchange	3,435,721 08
Balances due by Banks and Banking Correspondents elsewhere than in Canada and the United Kingdom	2,002,382 04
	$ 33,764,860 62
Deposit in the Central Gold Reserves	6,500,000 00
Dominion and Provincial Government securities, not exceeding market value	12,704,328 27
Canadian municipal securities and British, Foreign and Colonial public securities other than Canadian, not exceeding market value	13,094,847 21
Railway and other bonds, debentures and stocks, not exceeding market value	3,804,295 30
Demand loans in Canada secured by grain and other staple commodities	10,310,598 00
Call and demand loans elsewhere than in Canada	7,928,753 00
	$ 88,107,682 40
Call and demand loans in Canada secured by bonds, debentures and stocks	3,927,564 88
	$ 92,035,247 28
Deposit with the Minister of Finance for the purposes of the circulation fund	321,015 06
Loans to governments and municipalities	501,204 72
Other current loans and discounts in Canada (less rebate of interest)	34,145,581 49
Other current loans and discounts elsewhere than in Canada (less rebate of interest)	7,373,289 89
Liabilities of Customers under Letters of Credit, as per contra	644,828 53
Overdue debts, estimated loss provided for	129,638 92
Bank Premises at not more than cost, less amounts written off	2,991,418 98
Real Estate other than Bank Premises	89,600 00
Other assets not included in the foregoing	65,420 19
	$ 138,297,245 06

CHARLES ARCHIBALD, Vice-President. **H. A. RICHARDSON, General Manager.**

AUDITOR'S CERTIFICATE

We have examined the books and accounts of The Bank of Nova Scotia at its Chief Office and have been furnished with certified returns from the Branches, and we find that the above statement of Liabilities and Assets as at December 31st, 1917, is in accordance therewith. The Bank's investments and the securities and cash on hand at the Chief Office and at several of the principal Branches of the Bank were verified by us as at the close of business December 31st, 1917, and in addition we visited the Chief Office and certain Branches during the year, when we checked the cash and verified the securities and found them to be in agreement with the books. We have obtained all information and explanations required, and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank. And we certify that the above statement of Liabilities and Assets as at December 31st, 1917, 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.

A. B. BRODIE, C.A. } Auditors
D. McK. McCLELLAND, C.A. }
of the firm of Price, Waterhouse & Co.

Toronto, Canada, 15th January, 1918.