

MERCHANTS BANK OF CANADA  
Annual

Canadian  
pamphlets

20<sup>th</sup> T.L.L.  
764 811

# REPORT OF THE DIRECTORS OF THE Merchants Bank of Canada,

*Presented to the Stockholders at the Annual Meeting held  
on Wednesday, 21st June, 1882.*

The DIRECTORS of the MERCHANTS BANK OF CANADA have pleasure in presenting to the Stockholders the Report of the business of the year just closed:—

The Net Profits of the year's business, after deducting charges and interest on deposits, have been .. .. .	\$762,441.83
(Provision for the bad and doubtful debts of the year is made in Contingent Fund Account.)	
Add Profits brought forward from 1881 .. .. .	12,264.59
	<u>\$774,706.42</u>

This sum has been disposed of as follows:—

Dividend No. 26, at 3½ per cent. .. .. .	\$196,550.90
“ No. 27, at 3½ per cent. .. .. .	199,454.28
	<u>\$396,005.18</u>
Written off Bank Premises and Furniture Account .. .. .	20,000.00
Transferred to Contingent Fund .. .. .	120,000.00
Added to the “Rest” .. .. .	225,000.00
Balance carried forward to next year .. .. .	13,701.24
	<u>\$774,706.42</u>

The profits have been so much in excess of those of last year, as to admit of the payment of dividends at the rate of seven per cent. per annum instead of six, while the surplus carried forward to the different funds above named is considerably in excess of that appropriated in 1881.

This result will no doubt be satisfactory to the Stockholders.

In the Report presented at the last General Meeting, reference was made to the revival of trade, and the improved prospects of the country.

This improvement has continued to operate, to a greater or less extent, during the year, and a good harvest of agricultural products, and a large production of lumber and timber, generally disposed of at a high range of prices, have added materially to the wealth of the country.

Our various manufacturing industries have been pressed to meet the demand for their products. There has, however, owing to unfavorable seasons, been a considerable check to the consumption of certain lines of our large and increasing imports, and stocks in consequence have accumulated to undue proportions. Payments, however, on the whole, have continued satisfactory. But it is worthy of the consideration of importers, whether their operations might not be reduced with advantage.

The development of the business of Manitoba and the North West, has proceeded at an unexampled rate, and is still going on.

An unhealthy land speculation that broke out last year, and that threatened, at one time, to be productive of serious consequences, has been checked, and it is to be hoped may subside altogether.

With the great emigration now going on a rapid settlement of the country may be looked for, and a considerable increase in production.

The business of the Bank has been considerably extended during the year in every department, and your Directors have confidence that it has been conducted on sound and healthy principles.

The Deposits and Circulation have largely expanded, and this in a legitimate and natural manner.

The Discounts and Loans have also increased considerably in the ordinary course of business; but the Board have been careful to employ a much larger proportion of the funds of the Bank than usual in short loans on realizable securities, so as to be prepared to meet a contraction if necessary.

The supervision of discounts and advances at the numerous offices where the business of the Bank is carried on, extending from Quebec to Winnipeg, and including New York and Chicago, has had the constant attention of the Board and executive of the Bank.

The losses of the year have been small, and are fully provided for.

Before closing the Books the annual review of the Assets of the Bank took place, and every debt which had become irrecoverable was written off.

To provide for the contingencies that remain, your Board carried a considerable sum out of the profits of the year to the fund created for the purpose. After this provision was made, there still remained \$225,000 available for the Rest.

A new Branch has lately been opened at Brandon, Manitoba, under encouraging auspices, and the business of the Bank in the North West, under the able supervision of the Winnipeg Manager, has assumed large proportions, and is in a highly satisfactory condition.

During the year the Waterloo (Ont.) Branch was closed.

The Board have still sought opportunities of reducing the amount held in Bank Premises account, and succeeded in disposing of the bank buildings in Chatham and Galt at satisfactory prices. The buildings at Almonte and Levis, carried some time in Real Estate account, have also been disposed of.

In addition to the premises in which you are now assembled, the Bank now owns freehold buildings in St. Johns, (Que.), Belleville, Ingersoll, Kincardine, Kingston, London, Perth, Stratford, St. Thomas, Toronto, Walkerton, and Winnipeg. Some of these are very valuable properties, and all are commodious and well adapted for business.

Other items of Real Estate have been disposed of during the year, so that the total amount now stands as follows :—

		THIS YEAR.	LAST YEAR.
PRODUCTIVE REAL ESTATE,	.. ..	\$134,597	\$157,386
UNPRODUCTIVE " "	.. ..	\$211,135	\$284,362

The General Manager and other Officers of the Bank, now numbering 220 in all, have discharged their duties with zeal and assiduity, and the Board have signified their approval thereof, by a general increase of salaries, or the granting, in certain cases, of a liberal bonus.

The whole respectfully submitted,

On behalf of the Board,

*Signed,*

JOHN HAMILTON,  
President.

GENERAL STATEMENT  
**MERCHANTS BANK OF CANADA,**

*At the close of the Books 31st May, 1882.*

**LIABILITIES.**

Notes in circulation.....		\$3,942,049.00
Deposits bearing interest (including interest accrued to date).....	\$5,416,635.22	
Deposits not bearing interest.....	4,843,652.01	
		10,260,287.23
Balances due to other Canadian Banks keeping Deposit Accounts with the Merchants Bank.....		526,210.26
Balances due to other Canadian Banks in daily Exchanges.....		29,992.72
Balances due to Banks in Great Britain.....		179,193.06
Dividends unclaimed.....		3,822.13
Dividend No. 27, payable 1st June.....		199,454.28
Total Liabilities to the Public.....		\$15,141,008.68
Capital paid up.....		5,698,696.66
Rest.....		750,000.00
Contingent Fund.....		280,000.00
Balance carried forward to Credit of Profit and Loss Account of next year.....		13,701.24
		\$21,883,406.58

**ASSETS.**

Gold and Silver Coin on hand.....		\$740,624.76
Dominion Notes on hand.....		716,507.65
Notes and Cheques of other Canadian Banks on hand.....		652,471.33
Balance due by other Canadian Banks in daily Exchanges.....		101,060.87
Balances due by Agencies of the Bank in the United States, and by United States National Banks.....		2,134,730.89
Total available Assets.....		\$4,345,395.50
Loans, Discounts and Advances on Current Account.....	\$16,174,379.10	
“ “ overdue, and not specially secured.....	220,127.83	
“ “ “ secured.....	121,495.52	
		\$16,516,002.45
Mortgages and other interest-bearing Bonds and Securities.....		259,964.48
Real Estate—productive.....	\$134,597.38	
“ unproductive.....	211,135.52	
		345,732.90
Bank Premises and Furniture.....		411,634.53
Other Assets not included under the foregoing heads.....		4,676.72
		\$21,883,406.58

(Signed),

G. HAGUE,

General Manager.

It was moved by the Hon. JOHN HAMILTON, President, seconded by JOHN MCLENNAN, Esq., Vice-President, and carried unanimously :

“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.”

Moved by the Hon. I. THIBAudeau, seconded by G. W. SIMPSON, Esq., and unanimously resolved :

“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.

On the motion of ROBT. ANDERSON, Esq., seconded by T. D. HOOD, Esq., it was unanimously resolved :

“That the thanks of the stockholders are due and are hereby tendered to the General Manager for his efficient management during the year, and that the action of the Board in making with him a new engagement for a term of five years, be hereby confirmed ; also, that thanks be tendered to the officers of the institution for their services.”

After proposed By-Laws Nos. 1 to 9 had been read over by the General Manager, it was moved by THOS. CRAMP, Esq., seconded by JOHN CRAWFORD, Esq., of Verdun, and resolved :

“That the By-Laws Nos. 1 to 9 as now read, be adopted.”

On motion of HECTOR MACKENZIE, Esq., seconded by ADOLPHE MASSON, Esq., it was resolved and carried :

“That Messrs. W. B. CUMMING, R. MOAT and J. BURNETT 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., this day, but if an interval of ten minutes elapse without a vote being tendered, that the ballot shall thereupon be closed immediately.”

Finally moved by N. S. WHITNEY, Esq., seconded by J. P. CLEGHORN, Esq., and carried :

“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 meeting then adjourned, and the Scrutineers shortly after reported the following gentlemen to be duly elected as Directors for the ensuing year :

ADOLPHE MASSON, ESQ.	WILLIAM DARLING, ESQ.	JONATHAN HODGSON, ESQ.
SIR HUGH ALLAN.	HECTOR MACKENZIE, ESQ.	JOHN CASSILS, ESQ.
ROBERT ANDERSON, ESQ.	ANDREW ALLAN, ESQ.	JAMES BENNY, ESQ.

A special meeting of the Directors took place immediately thereafter, when SIR HUGH ALLAN was elected President, and ROBT. ANDERSON, Esq., Vice-President.

By order of the Board,

G. HAGUE,

*General Manager.*

MERCHANTS BANK OF CANADA,

Montreal, 21st June, 1882.