

MERCHANTS' BANK OF CANADA

FIFTY-FIRST ANNUAL MEETING.

The fifty-first annual meeting of the Merchants' Bank of Canada was held Wednesday, May 20 in the Board Room at the head office at Montreal. The chair was taken at 10 o'clock noon, by Sir H. Montagu Allan, the President. Others in attendance were: Messrs. Thomas Long, Alex. Barnet, C. C. Ballantyne, A. J. Dawes, D. E. Reid, Mr. George C. Cain, F. C. Evans, E. R. Hebborn, John Patterson, A. Piddington, Alex. D. Fraser, George Hague, W. H. Dixon, Arthur Browning, H. B. Blackader, T. H. Merrett, John Beattie, David Kinghorn, R. Shaw, W. B. Shaw, D. C. Macarow, H. B. Loucks, R. Campbell Nelles, C. R. Black, A. Haig Sims, D. A. Lewis, J. M. Kilbourn and H. H. Ransome. Mr. J. M. Kilbourn was appointed Secretary of the meeting.

The minutes of the last annual meeting were taken as read.

THE DIRECTORS' REPORT

The Board have much pleasure in submitting the result of the year's business, closing with the 30th April last. On an average capital and rest of \$13,248,100, the Bank has earned a 1.3%, which is a little lower than a year ago. Meantime, our capital stock has been further augmented by the disposal of the unsold shares, making the dividend disbursement somewhat greater. In the Profit and Loss Statement you will observe \$125,000, applied in reduction of the sum representing the Bonds and securities, which during the year have suffered a fall in price. To bring them to their market value the Board have authorized the writing of them down by that sum.

I have great pleasure to-day in congratulating the shareholders upon very notable event in the history of the Bank—the fiftieth anniversary of its establishment—and also upon the happy attainment of the goal of the Board's ambition for many years back, namely, the placing of the Reserve Fund upon an equality with the paid-up Capital. This is a record of length attained. The paid-up Capital is now \$7,000,000, and the Reserve Fund \$7,000,000, as you will see from the statement placed before you.

During the past year we have opened branches at the following points:—In Quebec: Chateauguay Basin, Huntingdon, Maisonneuve, Montreal St. Denis Street, Ormstown and Vaudreuil. In Ontario: Bronte, Clarkson, Hamilton East End, Sarnia and St. Catharines. In Alberta: West Edmonton, Raymond and Kimberley. In Saskatchewan: Estevan, Fortes, Humboldt, Kelvinhurst, Limerick and Shaunavon. In British Columbia: Gang's Harbour, Oak Bay, and Victoria North End. In Manitoba: Starbuck, and in Nova Scotia: New Glasgow.

And we have closed the following offices:—In Alberta: New Norway, Pincher Station and Walsh, and in Ontario: Sandwich.

The Board will to-day ask the shareholders to appoint Auditors for the coming year, in accordance with the Bank Act.

The requirements under the new Bank Act, covering the preparation of the Annual Statement, together with the growth of the Bank, make it desirable that more time be given for this work. We find it, therefore, necessary that the date of the Annual Meeting be put forward somewhat. The third Wednesday in May, following so nearly the close of books on 30th April, does not allow sufficient time. The Board ask you to sanction a change of date to the first Wednesday in June, which will meet requirements.

All of which is respectfully submitted.

H. MONTAGU ALLAN,
President.

Statement of the Result of the Business of the Bank for the year ending 30th April, 1914.

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.....	\$1,218,694.45
Premium on New Stock.....	180,825.00
The balance brought forward from 30th April, 1913, was.....	401,014.24
Making a total of.....	\$1,800,533.69
RESERVE FUND ACCOUNT.	
Balance, 30th April, 1913.....	\$6,419,175
Transferred from Profit and Loss Account.....	400,000
Premium on New Stock.....	180,825
Average Paid-up Capital during year.....	6,685,500
Statement of Liabilities and Assets at 30th April, 1914.	
LIABILITIES.	ASSETS.
1. To the Shareholders.	
Capital stock paid in.....	\$7,000,000
Rest or Reserve Fund.....	7,000,000
Dividends declared and unpaid.....	176,088.66
Balance of Profits as per Profit and Loss Account submitted herewith.....	248,134.67
	\$14,424,223.33
2. To the Public.	
Notes of the Bank in circulation.....	\$5,597,714.00
Deposits not bearing interest.....	13,300,384.11
Deposits bearing interest, including interest accrued to date of statement.....	45,946,650.06
Balances due to other Banks in Canada.....	1,488,333.31
Balances due to Banks and banking correspondents in the United Kingdom and foreign countries.....	2,278,387.51
Bills payable.....	76,039.00
Acceptances under letters of credit.....	
Liabilities not included in the foregoing.....	
	\$83,120,741.32

E. F. HEBBORN, General Manager.

THE GENERAL MANAGER'S ADDRESS.

The General Manager, Mr. E. F. Hebborn, then made his annual address, as follows:—There is very little to be said this year beyond that the country has come through a more than usually trying time the past two months. The transition was almost cataclysmic—from a period of plethora and easy money to one of the most severe financial scarcity with the blue-print prophet abroad in the land, the wish being father to the thought. The banks, like the world, took early note of the change in the financial outlook, and took their measures accordingly. They were generally satisfied by the excellent crop reaped almost throughout Canada, which was largely marketed so soon as threshed, to the great easement of the general situation. There were many other factors at work making for relief. Meanwhile, we have moved into calmer waters, and while money is not yet easy in Canada, I believe we are on the highroad to better times and a renewal of confidence in us, which will, I firmly think, be given us before many years are over, in larger measure. The position in Canada today appears to me to be full of promise. Last summer I travelled throughout the Northwest and British Columbia, visiting nearly all our branches and I should have been sceptical indeed if I did not see much to fill me with hope, bordering on conviction that the country had a very great future. You have had this assurance before, but the impression strongly prevails with me that while Canada is more likely to be Greater Canada in the years to come, for the opportunity is there, and the steps of the younger generation of many countries will surely be directed thereto, where certain success is awaiting them.

You do not want voluminous statistics from blue books read to you, to prove that this country is a grand one, particularly for the industrious and frugal. Your business is prosperous. The heart of the country is sound, to the very core, throughout its length and breadth! Extravagance and waste may yet need their lesson that spending is not living but only the sure forerunner of evil days. I do not desire to moralize or preach, but sanity in expenditure in public and private life is the only sure and certain road to permanent success, and I believe errors in the past will be retraced, for few remain that are not convinced that the pace that kills must be permanently abandoned before the brighter era dawns. Those brighter days, I believe, are even now knocking at our door. It will be open the sooner if borrowers of all kinds are moderate in their demands. Excess in borrowing will be the one potent factor keeping things as they are, and defining the day of stagnation and generally better conditions.

I have to thank the Board and the shareholders again in the name of the staff for yet another handsome addition to the Pension Fund. We hope in a year or two to place the fund upon such a sound actuarial basis that no further subventions will be needed.

May I now express the hope that the coming year's business may in every way reach our reasonable expectations?

The motion of Messrs. Farquhar Robertson and G. L. Cain to change the date of the Annual Meeting to the first Wednesday in June was unanimously adopted.

On motion of Messrs. John Patterson and A. Piddington Messrs. Vivian Harcourt, of Deloitte, Plender, Griffith & Co., and James Reid Hyde, of Macintosh and Hyde, were appointed auditors of the bank, to hold office until the next annual general meeting. Their remuneration not to be more than \$5,000 in all.

Mr. A. H. Sibley moved seconded by Mr. D. Kinghorn, that the Scrutineers cast one ballot in favor of the following Directors: Sir H. Montagu Allan and Messrs. R. H. Blackwell, Thomas Long, Alex. Barnet, F. O. Lewis, Andrew A. Allan, C. C. Ballantyne, A. J. Dawes, Howard Wilson, Farquhar Robertson, Geo. L. Cain and Alfred B. Evans.

The motion was unanimously carried, and these directors were declared elected.

At a subsequent special meeting of the Directors, Sir H. Montagu Allan was reelected as President and Mr. K. W. Blackwell as Vice President.

HARKAWAY

(Special to The Standard)

Mr. P. G. Reid, of Toronto, spent the weekend at the home of Mrs. R.'s parents, Mr. and Mrs. P. Smith, of Harkaway. Mrs. Reid and little daughter, Myrtle, who had been visiting her parents for the past three weeks, accompanied Mr. Reid on his return on Monday evening.

Mr. M. Morris, of Owen Sound, is spending the holidays visiting at Mr. A. A. Lyons'. Mr. and Mrs. J. Thompson is

visiting with friends at Fairmount.

Mrs. F. Wize and baby girl, of Palmerston, are guests at the parental home, Mr. and Mrs. W. J. Hawken's, sr.

Mr. J. A. Halbert lost a valuable horse last week from acute indigestion.

Mr. A. Rusk had a successful stoning bee on Friday afternoon.

Mrs. W. T. Lyons is visiting at the home of Walter Falls.

Mr. W. T. Lyons and Miss Alicia Lyons visited at Mr. J. Bowler's, Walters Falls, over Sunday.

Mrs. B. Lyons, jr., visited with late Mrs. Mathewson.

Mrs. T. Neely, of Gor-

ing, last week.

A number of Harkawayites took in the lecture at Berkley last week.

Mr. and Mrs. D. Brodie, of Markdale, visited at the parental home here over Sunday.

Mr. A. Rust had a successful stoning bee on Friday afternoon.

Mrs. W. T. Lyons and Miss Alicia Lyons visited at Mr. J. Bowler's, Walters Falls, over Sunday.

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