

# You Can Understand Simple Bank Report

Again this year, following a practice it originated, the Bank of Montreal has come forward with a well-illustrated, easily understandable bank statement for the benefit of its more than 1,500,000 depositors. Unique among bank statements, the report, which covers the 130th year of the B of M's career, can be read with complete understanding by everyone.

In the explanation of the facts behind the figures, the bank emphasizes that money deposited does not lie idle, but works constantly for the building of the nation. "Here is the money that makes the wheels of commerce turn," the report points out. "Here is the money that helps the farmer garner his crops... that helps the lumberman buy equipment and pay his men. Here are the dollars that enable the bank to make more than 500 personal loans every business day of the year and women who need money to meet emergencies and take advantage of opportunities."

The statement is also brightened considerably by the addition of little thumbnail sketches throughout, and the use of simple, everyday language in place of the more formal financial terms usually found in bank reports. For example, bank assets are referred to as "What the B of M Has to Meet its Obligations," while liabilities are simply "What the B of M Owes to Others." Likewise, the explanatory notes under each sub-heading are clear and to the point.

**Deposits at New High**  
Deposits of \$1,783,000,000 again set an all-time high, showing an increase of \$47,000,000 over the previous year, and demonstrating the way in which Canadian are endeavouring to meet the danger of inflation.

This statement of Canada's senior financial institution reflects the general trend of business activity throughout the country. For example, commercial loans increased by 39 per cent, denoting the nation's expanding peacetime production. The financing of this expansion has been accompanied by a reduction of holdings of government and other public securities, which now stand at \$957,000,000.

Heightened industrial activity brought about by the increasing production of peacetime goods found the bank participating to a much greater extent in commercial financing, with holdings of industrial bonds and debentures increased from \$56,000,000 in 1946 to \$96,000,000 for the year ended October 31, 1947.

Enlargement of the bank's facilities through the construction of new branches and the renovation of premises in various parts of Canada is manifested in a substantial rise in the value of its premises which, at \$13,000,000, has increased by nearly three million dollars.

All of these factors add up to give the bank record-breaking resources of

\$1,898,000,000. This figure exceeds its obligations to the public by \$81,079,000.

**Graphic Earnings Statement**  
Another innovation in the report is the earnings statement which gives in detail—down to the fraction of the cent—the distribution made of the year's earnings in relation to the shareholders' invested dollar. After paying all overhead expenses, including staff salaries, bonuses, and contributions to the pension fund, and after making provision for contingencies, and for depreciation of bank premises, furniture and equipment, the B of M reports earnings for the year amounting to \$9,579,285. To provide for Dominion and Provincial taxes, the bank set aside \$4,156,000, leaving net earnings of \$5,423,285, compared with \$4,487,782 last year. Of this \$3,600,000 was distributed to shareholders, with the balance of \$1,823,285 transferred to the profit and loss account.

On each dollar of the shareholders' money invested in the Bank of Montreal, the bank earned 11.81 cents in 1947. Of this, 5.12 cents were paid in taxes, 4.43 cents went to shareholders, and the remaining 2.26 cents went to surplus.

## Many New Books Added To Library

Many entertaining and informative books have been added recently to the shelves of the Timmins Public Library. The following is a list of some of the outstanding ones.

**NON-FICTION**  
How It Happens, Pearl S. Buck; Great Shooting Stories, S. S. Ludlum, editor; My Danish Father, Karl Eskelund; Ice-Caped Island, Greenland, Kare Rodahl; Shikar and Safari, Edison Marshall; Flashing Wings, R. M. Saunders.

Men of Law, Wm. Seagle For Such a Time as This, R. J. Reihson (Bishop) Christ Stopped at Eboli, Carlo Levi; Edmund Campion, Jesuit & Martyr, Evelyn Waugh; Canadian Strength, Coroly Cox; 5,000,000 Casualties on the Home Front, Louise Neuschutz; Normandy, A. H. Broderick; Stop Annoying your Children, W. W. Bauer; The Day Nursery, E. S. Beer; Gun Care and Repair, C. E. Chapel; Combat Scientists, Thiesmeyer & Burchard; Painting for Beginners, Jan Gordon.

**FICTION**  
House Divided, B. A. Williams; Came a Cavalier, F. P. Keyes; The Golden Porcupine, M. R. Bolton; The Silver Nemes, Norah Loftis; Ride Easy! Ride West! Anne Powers; The Lardners and the Laurelwoods, Sheila Kaye Smith.

The Axe of Wandsbek, Arnold Zweig; Darker Grows the Valley, H. H. Kroll; Adversary in the House, Irving Stone; The Years of the Locust, L. G. Erdman; Friends and Lovers, Helen MacInnes; Way of Life, A. H. Gibbs; John Barry, D. R. Bedford; Rachel, March Cost; Out of Tomorrow, Stella Merton; The Veiled Fountain, Harry Hervey; Disturb Not Our Dreams, H. D. Skidmore; Dull the Sharp Edge, Ellen Marsh.

You Rolling River, Archie Binns; The Bright Promise, Richard Sherman; Heaven and Vice, Ethel Hueston; Heritage Perilous, Jeffery Farnol; Prize Stories of 1947, Herschel Brickell, editor; The Merry Innocents, Nolan Miller; Big Ember, Edward Havill; Deeper the Heritage, Muriel Elwood; All This to Keep, M. P. French; Too Much Living, Robert Hichens; Full Moon, P. G. Wodehouse; The Sound of Charlots, H. T. Miller.

## Richilieu Members Report Convention

The Club Richilieu held its weekly luncheon meeting Tuesday noon at the Algoma Hotel. The president, J. A. Cousineau, spokesman for the delegation that attended the Convention held at Montreal Saturday, November 22, reported on the highlights of that convention. The other Timmins delegates to the convention were the vice-president J. Vincent Gauthier and Leo P. Lalonde.

The member speaker of Tuesday's meeting was Albert Aube who spoke on St. Catherine who was the patron saint of the day, November 25. Mr.

Aube said that the old French Canadian custom of making toffee for children on that day dated back to the days of Marguerite Bourgeois who in the early days of the colony to attract the Indian children to come to school thought of making toffee for them. Since she was successful with this, the making of toffee became popular and with the years formed part of the French Canadian traditional customs. This explanation of the origin of this tradition along with a number of others parallel to this one made for a most enjoyable address.

The only reason why some people don't own an elephant is that nobody ever offered them one at a dollar down.

## Poor 1947 Hay Crop Cuts Livestock Here

Considerably fewer livestock will be raised on the farms of Northern Ontario during the coming winter, it was predicted this week in the monthly report of the Ontario Department of Agriculture.

Cause of this condition is a reduced crop of hay harvested in the North this year. In North Cochrane good hay is selling up to \$30.00 a ton. It is felt that not many farmers are going to feed as many cattle with hay at that price and the number of cattle wintered will be 20 percent lower than usual. In Cochrane South the hay shortage

is attributed in part to the lack of labor this fall to harvest it. There is sufficient for livestock but there will not be enough to meet the local needs of timber companies.

The total yield of grain is also less than 1946 and the present high price is causing farmers to cull out animals and poultry which are not paying their way. In point of numbers this will effect poultry more than other livestock.

"Let out the hem and you're in style." What will milady do now that she can no longer set her knee-cap for a man?  
"Prospector Finds What he Thinks is Prehistoric Graveyard." Well, can't he tell by the dates on the tombstones?



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Everywhere in Canada—in villages, towns, metropolitan centres—you can find them.

They are the people—1,500,000 strong—in every walk of life who are building their futures and doing their day-to-day financing by saving or borrowing at the Bank of Montreal.

Every member of this B of M family has a hand in building the resources of the Bank while he builds his own future. These resources, which amount to nearly two billion dollars, exist almost entirely because of the balances these people can show you in their B of M passbooks.

This money does not stand idle... it works constantly for the building of the nation.

Here is the money that makes the wheels of commerce turn... that helps the farmer garner his crops... that helps the lumberman buy equipment and pay his men.

Here are the dollars that enable the Bank to make more than 500 personal loans every business day of the year to men and women who need money to meet emergencies and take advantage of opportunities.

Here is the credit that provides thousands of business enterprises—from the largest company to the smallest one-man show—with the ready money they need to buy raw materials for manufacture, to pay wages while awaiting returns from the sale of finished goods, and to carry out plans for expansion.

To citizens on salaries... to farmers with seasonal incomes... to merchants, manufacturers and businessmen in every worthwhile line of endeavour... to municipalities, school boards and governments... to churches, hospitals and all types of public institutions... hundreds of millions of dollars are being lent by B of M managers at more than 500 branches from the Atlantic to the Pacific.

These millions of transactions add up to a billion-dollar story that makes interesting reading—not so much on account of the figures involved, but because of the human stories behind them.

For 130 years Canadians have put their trust in the B of M. Never in that time has the Bank failed to repay a dollar left in its care... never has it failed to open for business on a single banking day.

### WHAT THE B OF M HAS TO MEET ITS OBLIGATIONS:

**CASH:** The B of M has cash in its vaults and money on deposit with the Bank of Canada amounting to \$ 203,696,837.69

**MONEY** in the form of notes, cheques on, and deposits with other banks. 136,768,245.65

**INVESTMENTS:** The B of M has close to one billion dollars invested in high-grade government bonds and other public securities, which have a ready market. Listed on the Bank's books at a figure not greater than their market value, they amount to 957,888,826.81

The B of M has other bonds, debentures and stocks, representing to some extent the extension of credit to industrial enterprises for reconversion and for expansion of productive facilities in established fields. Valued at no more than the market price, they amount to 96,866,538.42

**CALL LOANS:** The B of M has call loans which are fully protected by quickly saleable securities. These loans amount to 36,807,209.71

**QUICKLY AVAILABLE RESOURCES:** The resources listed above, all of which can quickly be turned into cash, cover 78.79% of all that the Bank owes to the public. These "quick assets" amount to \$1,432,027,658.28

**LOANS:** During the year, many millions of dollars have been lent to business and industrial enterprises for production of every kind, including housing and construction—to farmers, fishermen, lumbermen and ranchers—to citizens in all walks of life, and to Provincial and Municipal Governments and School Districts. These loans now amount to 421,704,063.46

**BANK BUILDINGS:** In hamlets, villages, towns and large cities from coast to coast the B of M serves its customers at more than 500 offices. The value of the buildings owned by the Bank, together with furniture and equipment, is shown on its books at 13,276,623.00

**OTHER ASSETS:** These chiefly represent liabilities of customers for commitments made by the Bank on their behalf, covering foreign and domestic trade transactions. 31,396,960.45

**TOTAL RESOURCES WHICH THE B OF M HAS TO MEET ITS OBLIGATIONS** \$1,898,405,305.19

### WHAT THE B OF M OWES TO OTHERS:

**DEPOSITS:** While many business firms, manufacturers, merchants, farmers and people in every type of business have large deposits with the B of M, the bulk of the money on deposit with the Bank is the savings of more than a million private citizens. The total of all deposits is. \$1,783,441,647.31

**BANK NOTES:** B of M bills in circulation, which are payable on presentation, amount to 4,783,548.00

**OTHER LIABILITIES:** Miscellaneous items, representing mainly commitments undertaken by the Bank on behalf of customers in their foreign and domestic trade transactions. 29,100,538.78

**TOTAL OF WHAT THE B OF M OWES ITS DEPOSITORS AND OTHERS** \$1,817,325,734.09

**TO PAY ALL IT OWES, THE B OF M HAS TOTAL RESOURCES, AS SHOWN ON THE LEFT SIDE OF THIS STATEMENT, AMOUNTING TO** 1,898,405,305.19

**WHICH MEANS THAT THE B OF M HAS RESOURCES, OVER AND ABOVE WHAT IT OWES, AMOUNTING TO** \$ 81,079,571.10

This figure of \$81,079,571.10 is made up of money subscribed by the shareholders and, to some extent, of profits which have from time to time been ploughed back into the business to broaden the Bank's services and to give added protection for the depositors.

**EARNINGS**—After paying all overhead expenses, including staff salaries, bonuses and contributions to the Pension Fund, and after making provision for contingencies, and for depreciation of Bank premises, furniture and equipment, the B of M reports earnings for the twelve months ended October 31st, 1947, of \$ 9,579,285.29  
Provision for Dominion Income and Excess Profits Taxes and Provincial Taxes. 4,156,000.00  
Leaving Net Earnings of \$ 5,423,285.29

This amount was distributed as follows:  
Dividends to Shareholders \$ 3,600,000.00  
Balance to Profit and Loss Account 1,823,285.29

### B of M EARNINGS ON THE SHAREHOLDERS' INVESTMENT

On each dollar of the shareholders' money invested in the Bank of Montreal, the Bank earned 11.81 cents in 1947.  
To TAXES . . . . . 5.12 cents  
To SHAREHOLDERS . . . . . 4.43 cents  
To SURPLUS . . . . . 2.26 cents

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