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THE BANK OF TORONTO TORONTO



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**NINETIETH
ANNUAL REPORT**
NOV. 30, 1945

In Memoriam

To the members of the Staff of the Bank
of Toronto who gave their lives for their
Country in the Second Great War.

*They shall grow not old, as we that are left grow old:
Age shall not weary them nor the years condemn,
At the going down of the sun and in the morning
We will remember them.*

Laurence Binyon

F.O. J. C. Adams
Sgt. J. F. Andrews, R.C.A.F.
John Alfred Arbuckle, R.C.A.F.
F.O. Alex. Thomas Armstrong
F.O. O. W. Armstrong
Sgt. James Arthur, R.C.A.F.
Sgt. George Ralph Blackmore,
R.C.A.F.
Flt. Sgt. Robert Longworth
Botsford
F.O. Harold Brett
Flt. Sgt. Lloyd Wesley Cuming
Flt. Sgt. (W.O. 2) D. R. Currie
Flt. Sgt. Donald E. Elliot
F.O. Ronald G. Ellis
Lieut. Duncan Coulson Grant, INF.
Sgt. Air Gunner Wm. Hackett
Sgt. Mason Hand Hargreaves,
R.C.A.F.
Sgt. John Clarke Harris, R.C.A.F.
Lieut. Clarence F. Heald, INF.
Sgt. Air Gunner Thomas F.
How
W.O. 2 R. Murray Irwin, R.C.A.F.

Tpr. William W. Kerr
John Beverley Kemp, R.C.A.F.
F.O. Clarence R. Long
Flt. Sgt. V. J. Lazier
Capt. D. R. Maftyn, INF.
P.O. John Melvin Milmine
P.O. W. E. McNicholl
Pte. J. E. Macartney
Sub.-Lieut. Auston Wright
Proctor, R.C.N.V.R.
Major Colin J. Radcliffe
Flt. Sgt. George Spence Robb
Sgt. John Wilmer Smith, R.C.A.F.
P.O. David Herbert Sargent
F.O. C. R. Symons
Flt. Sgt. Mervin Elwood
Tarrant
Dalton Kenneth Wallace,
R.C.A.F.
F.O. F. G. Willis
Sgt. J. H. Whittington, INF.
F.O. L. C. Webley
Sgt. John Warner, R.C.A.F.
F.O. Edward George Wey





The Bank of Toronto, Toronto

A New Era

NINETEEN FORTY FIVE will be notable in history as the year, not only of the final defeat of Germany and Japan, but of the discovery and use of atomic power.

Nineteen Forty Six heralds the dawning of a new era—an era in which tolerance, co-operation and goodwill must guide us if we are to have enduring peace. .

This Bank faces the future with confidence and desires to co-operate with agriculture and industry to the utmost in overcoming the problems ahead and building a better world.

B. S. VANSTONE,
General Manager.

THE BANK OF TORONTO

BOARD OF DIRECTORS

PRESIDENT

F. H. MARSH, TORONTO. { Previously General Manager of
The Bank of Toronto.
Director Dome Mines Limited.
" The Excelsior Life Insurance Company.

VICE-PRESIDENT

JAMES L. CARSON, TORONTO. { Previously Assistant General Manager of
The Bank of Toronto.

DIRECTORS

MAJ.-GEN. F. S. MEIGHEN, MONTREAL. { Director Canadian Pacific Railway Company.

FREDERICK K. MORROW, TORONTO. { Chairman Wilsil Limited.
" Loblaw Groceries Inc.
Director Canadian International Paper Company Ltd.
" Federal Fire Insurance Company.
" Massey-Harris Co. Limited
" The Ogilvie Flour Mills Co. Limited.
" Remington Rand Limited.

J. DOUGLAS WOODS, TORONTO. { President York Knitting Mills Limited.
Director Gordon Mackay & Company, Limited.
" Production Engineering Limited,
London, England.

GEORGE KIDD, VANCOUVER. { Vice-President British Columbia Pulp & Paper Co.
Limited.
" " Bralorne Mines Limited.
Director British Columbia Packers Ltd.
" Canadian Collieries (Dunsmuir) Limited.
" McLennan, McFeely & Prior Ltd.

AUBREY DAVIS, NEWMARKET. { President Davis Leather Co. Limited.
Chairman Davis Canadian Leathers Ltd.,
Leicester, England.
Vice-President The Toronto General Trusts
Corporation.
Director Canadian Oil Companies Limited.
" St. Lawrence Paper Mills Co. Limited.
" Lake St. John Power & Paper Company Ltd.

THE BANK OF TORONTO

DIRECTORS—CONTINUED

EDWARD D. GOODERHAM, TORONTO	{	President Canada Permanent Mortgage Corporation. " The Canada Permanent Trust Company. " The Dominion of Canada General Insurance Company. " The Casualty Company of Canada. Director Hiram Walker-Gooderham & Worts Limited.
HARRY J. CARMICHAEL, C.M.G. ST. CATHARINES	{	President Turbo Research Limited. Vice-President Conroy Manufacturing Co. Limited, St. Catharines. Director Toronto-St. Catharines Transport Limited. " Buffalo Ankerite Gold Mines Limited. " Inspiration Mining & Development Co. Ltd.
HORACE T. HUNTER, TORONTO.	{	President The MacLean-Hunter Publishing Co. Ltd.
ARTHUR H. CAMPBELL, MONTREAL.	{	President & Managing Director, Campbell, MacLaurin Lumber Co. Ltd. Director Crown Trust Company. " Fraser Companies Limited. " Lake St. John Power & Paper Co. Ltd. " Restigouche Company Limited. " St. Lawrence Paper Mills Co. Limited.
R. L. BEATTIE, COPPER CLIFF	{	Vice-President, General Manager (Canadian Operations) and Director The International Nickel Company of Canada Limited.
J. J. VAUGHAN, TORONTO.	{	Director The Eaton Knitting Co. Limited, Hamilton. " Maple Leaf Gardens Limited.
JOHN R. READ, HAMILTON.	{	Chairman & President Canadian Westinghouse Company Limited. Director B. Greening Wire Company Limited " The Toronto General Trusts Corporation. " Canadian Surety Company.
JOHN J. E. McCAGUE, ALLISTON.	{	Owner, Manager, Glenafton Farms, Alliston. Chairman Canadian National Live Stock Records Committee. Vice-President Dairy Farmers of Canada.
RICHARD J. CULLEN PHOENIX, ARIZONA.	{	Chairman International Paper Company. President International Envelope Corporation. Director New Brunswick International Paper Company. " Canadian International Paper Company. " Continental Paper Products Ltd. " International Fibreboard Limited.

THE BANK OF TORONTO

HEAD OFFICE, TORONTO

F. H. MARSH, *President*

J. L. CARSON	-	-	-	-	<i>Vice-President</i>
B. S. VANSTONE	-	-	-	-	<i>General Manager</i>
L. G. GILLETT	-	-	-	-	<i>Assistant General Manager</i>
P. J. HANLEY	-	-	-	-	<i>General Superintendent</i>
W. A. RUTHERFORD	-	-	-	-	<i>Superintendent of Investments</i>
F. G. CLEMINSON	-	-	-	-	<i>Executive Assistant</i>

SUPERVISORS' DEPARTMENT

E. S. BRAY, *Chief Supervisor*

R. S. BOOTH

A. F. SANDERS

W. G. M. WALKER

INSPECTOR

W. A. S. PETO

INSPECTOR

A. M. ROSS

STAFF SUPERVISOR

J. ALLAN

WINNIPEG

J. A. WOODS - - - - *Assistant General Manager*

VANCOUVER

W. B. McCRIRICK	-	-	-	}	<i>Superintendent of British Columbia Branches</i>
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AUDITORS FOR 1946

GEOFFREY T. CLARKSON, F.C.A.
*of Clarkson, Gordon, Dilworth & Nash,
Toronto, Ont.*

W. L. L. McDONALD, C.A.
*of Price, Waterhouse & Company,
Toronto, Ont.*



The Bank of Toronto, Montreal



The Bank of Toronto, Vancouver

N i n e t i e t h
ANNUAL REPORT
of
THE BANK OF TORONTO
I n c o r p o r a t e d 1 8 5 5

CAPITAL AUTHORIZED - - - -	\$10,000,000.00
CAPITAL PAID-UP - - - - -	6,000,000.00
RESERVE FUND	
and UNDIVIDED PROFITS -	13,821,746.52

November 30th, 1945

THE BANK OF TORONTO

PROCEEDINGS OF THE

NINETIETH ANNUAL GENERAL MEETING

HELD ON

WEDNESDAY, 16TH JANUARY, 1946



The Annual General Meeting of the Shareholders of The Bank (being the Ninetieth since the commencement of business) was held, pursuant to the terms of the Charter, at the Banking House of the Institution, corner King and Bay Streets, Toronto, on Wednesday, 16th January, 1946.

Moved by MAJOR-GEN. F. S. MEIGHEN, seconded by MR. AUBREY DAVIS, and

Resolved—That Mr. F. H. MARSH be appointed Chairman of the Meeting and that Mr. L. G. GILLET be requested to act as Secretary.

Carried.

Moved by Mr. E. D. GOODERHAM, seconded by Mr. R. L. BEATTIE, and

Resolved—That the Minutes of the last Annual Meeting, printed copies of which were sent to all shareholders, be taken as read and confirmed.

Carried.

Moved by Mr. H. T. HUNTER, seconded by Mr. J. J. VAUGHAN, and

Resolved—That Mr. W. M. HARGRAFT and Mr. PAUL M. HARRIS be appointed Scrutineers, and that after the ballot they report to the Chairman.

Carried.

THE BANK OF TORONTO

The Secretary then read the Directors' Report as follows:—

The Directors of The Bank of Toronto take pleasure in presenting to the shareholders their Report on the results of the Bank's operations for the year ending 30th November, 1945, together with the General Statement of Assets and Liabilities as on that date.

PROFIT AND LOSS STATEMENT

Profits for the year ending 30th November, 1945, after providing \$250,000.00 for Staff Pension Fund, \$801,777.61 for Dominion Taxes (of which \$43,445.05 is refundable under the provision of the Excess Profits Tax Act) and making appropriations to contingent accounts out of which accounts full provision for bad and doubtful debts has been made..	\$1,027,741.39
Depreciation on Bank Premises and Equipment.....	92,604.33
	<hr/>
	935,137.06
Dividends.....	600,000.00
	<hr/>
Balance of Profits carried forward.....	335,137.06
Profit and Loss Balance 30th November, 1944.....	1,486,609.46
	<hr/>
Profit and Loss Balance 30th November, 1945.....	<u>1,821,746.52</u>

F. H. MARSH,
President.

B. S. VANSTONE,
General Manager.

It is with deep regret that we record the death since our last report of Mr. Paul J. Myler. He was elected to the Board on January 5th, 1916 and had served as Vice-President since October 30th, 1935.

During the year Mr. Richard J. Cullen was elected to our Board.

On June 20th a new branch was opened at Val d'Or, Quebec, and in recent months a return to full service has been made at five points which for some time as a result of the war had been operated as sub-branches.

Following our established practice, the Head Office and all Branches of the Bank were inspected during the year by the Bank's Inspection Staff.

The Auditors appointed by the Shareholders, Mr. G. T. Clarkson, F.C.A., and Mr. W. D. Glendinning, F.C.A., have made their examination of the Bank's affairs and their report accompanies the General Statement.

F. H. MARSH,
President.

THE BANK OF TORONTO

GENERAL NOVEMBER

ASSETS

Gold and Subsidiary coin held in Canada.....\$	506,065.18	
Notes of Bank of Canada.....	6,979,999.00	
Deposits with Bank of Canada.....	33,096,677.30	
Notes of and Cheques on other banks.....	14,924,677.38	
Government and bank notes other than Canadian.....	157,342.18	
Due by banks and banking correspondents elsewhere than in Canada.....	7,620,392.35	\$ 63,285,153.39
Dominion Government direct and guaranteed Securities maturing within two years, not exceeding market value.....	64,821,679.08	
Other Dominion Government direct and guaranteed Securities, not exceeding market value..	118,734,760.60	
Provincial Government direct and guaranteed Securities maturing within two years, not exceeding market value.....	1,708,106.00	
Other Provincial Government direct and guaranteed Securities not exceeding market value...	11,138,914.00	
Canadian Municipal Securities, not exceeding market value.....	4,595,165.96	
Other Bonds, Debentures and Stocks, not exceeding market value.....	6,097,192.53	
	207,095,818.17	
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures, Bonds and other Securities, of a sufficient marketable value to cover.....	12,560,541.94	219,656,360.11
		282,941,513.50
Current Loans and Discounts in Canada, not otherwise included, estimated loss provided for.....	64,056,023.28	
Loans to Provincial Governments.....	1,934,689.98	
Loans to cities, towns, municipalities and school districts.....	1,789,482.21	
Non-Current Loans, estimated loss provided for.....	21,351.00	67,801,546.47
		350,743,059.97
Liabilities of Customers under acceptances and Letters of Credit, as per contra.....	2,146,617.38	
Mortgages on Real Estate sold by the Bank.....	11,688.32	
Bank Premises, at not more than cost, less amounts written off..	3,133,656.82	
Deposit with the Minister of Finance for the security of note circulation.....	52,005.59	
Other assets not included under the foregoing heads (but including refundable portion of Dominion Government taxes amounting to \$241,286.76).....	274,528.34	
		\$356,361,556.42

THE BANK OF TORONTO

STATEMENT 30TH, 1945

LIABILITIES

Notes in Circulation.....\$	866,748.00
Deposits by and balances due to Dominion Government.....	\$ 61,252,590.04
Deposits by and balances due to Provincial Governments.....	2,473,164.14
Deposits by the public not bearing interest.....	93,655,669.47
Deposits by the public bearing interest, including interest accrued to date of statement.....	172,263,977.20
	329,645,400.85
Deposits by and balances due to other chartered banks in Canada.....	677,184.24
Deposits by and balances due to banks and banking correspondents elsewhere than in Canada..	3,053,349.48
	3,730,533.72
Acceptances and Letters of Credit outstanding.....	2,146,617.38
	336,389,299.95
Capital paid up.....	6,000,000.00
Reserve Fund.....	12,000,000.00
Dividends declared and unpaid.....	150,509.95
Balance of profits as per Profit and Loss Account.....	1,821,746.52
	19,972,256.47
	\$356,361,556.42

F. H. MARSH,
President.

B. S. VANSTONE,
General Manager.

AUDITORS' REPORT TO THE SHAREHOLDERS

To the Shareholders of The Bank of Toronto:

We have examined the books and accounts of The Bank of Toronto at its Head Office and have been furnished with certified returns from the branches, and report that the above statement of liabilities and assets as at the 30th November, 1945, is in accordance therewith, and in our opinion discloses the true condition of the Bank. We have verified the cash and the securities representing the Bank's investments held at the Head Office at the close of the Bank's fiscal year, and during the year we counted the cash and examined the securities at certain of the important branches. We have received all the information and explanations we have required, and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank.

G. T. CLARKSON, F.C.A.
of Clarkson, Gordon, Dilworth & Nash
W. D. GLENDINNING, F.C.A.
of Glendinning, Jarrett, Gray & Roberts

TORONTO, 19th DECEMBER, 1945

THE BANK OF TORONTO

PRESIDENT'S ADDRESS

GENTLEMEN:

It is with a deep sense of loss that I refer to the passing in April last of Mr. Paul J. Myler.

Mr. Myler became a Director of the Bank in 1916 and was elected Vice-President in 1935, which position he held until the time of his death. He maintained a keen interest in the Bank and rendered valuable service in the promotion of its interests throughout the entire period of his office.

He will long remain in the memory of the Directorate who were privileged to serve with him and by whom he was held in high esteem.

In October last Mr. R. J. Cullen, Chairman of International Paper Company and a member of the Executive Committee of Canadian International Paper Company, joined our Board.

Mr. Cullen, who is widely known as an outstanding industrialist, has long been prominently identified with the pulp and paper industry.

We welcome him as a highly desirable addition to the Board.

The Annual Statement presented to you today and on which the General Manager has commented in detail, shows earnings well maintained and a substantial increase in assets which are at an all-time high.

The figures throughout indicate expansion and the maintenance of our accustomed sound position.

For six years we looked forward to the time when war would be over, and we could once again engage in the activities of normal life. Although the horrors of actual warfare have ended, who can deny that today's most urgent need is for establishment of some international body which will ensure that war, with all the shocking consequences now made possible by the progress of science, will no longer occur. What formerly was an inherent desire of all mankind for everlasting peace, has become a prime necessity. That fact is recognized by responsible statesmen and citizens, but the nationalist sentiments and patriotisms which have been built up through many centuries are not easily abandoned, and the new trend towards international co-operation has still to be translated into some practical agency which will provide the necessary minimum of world government.

This is the dominant thought of the postwar period, but because of the sudden termination of the Japanese war and the consequent absence of the transition period which was expected to provide an opportunity for partial and gradual conversion to normal conditions, other problems have come upon us almost overnight.

THE BANK OF TORONTO

GOVERNMENT AND BUSINESS:

Plans have had to be sharply revised with a view to prompt yet orderly abandonment of wartime controls and restrictions, and a quick return to production for civilian use. The handling of this difficult situation has brought many controversies, not only on the matter of timing but also as to the desirability or otherwise of retaining in our normal life some of the devices of the wartime period. The answer in the main is that, as long as man is essentially free in his economic as well as in his political life, then his demands must determine the nature and in some degree the volume of industrial production. But politically there is a persistent effort to make an ever larger proportion of the citizen's life conform to governmental prescription, and it seems that at least some of the people are willing to endorse this policy for the sake of the security which it is supposed to provide. However, the practical necessity of leaving both production and distribution mainly in private hands is generally recognized by Canadians. The problem of reconversion is primarily one for private enterprise working for the general good of all with the co-operation and the assistance of government.

TAXATION:

Inseparable from the question of government ownership and government control is that of taxation. Its heavy burden arises from war costs and other accumulated obligations, from losses incurred through public ownership, from the narrowing of the tax base through exemptions, and from the vast civil establishment operated for general government. Any progressive economy requires a high degree of productive efficiency and a substantial degree of saving, both of which are possible only under the stimulus of adequate incentives. Yet we place a considerable part of our activities outside the area in which these incentives can take full effect. The income and excess profits tax rates have created, in both individuals and corporations, a marked desire for safety in preference to the risk which would be involved in justifiable industrial expansion. Thus indeed new avenues of employment are restricted. Under the stress of war, our tax methods were permeated by the principle of catch as catch can. To continue such imposts would mean expecting too much of too little, and one of our first domestic concerns is a radical reform of our tax system with a view to setting a reasonable level of taxation and choosing levies which will allow adequate scope for both enterprise and thrift.

NO STABILITY UNDER PERMANENT BORROWING:

The thought is expressed by some that the practice of financing vital wartime needs by heavy taxation and by governmental borrowing can and should be continued indefinitely in time of peace, thereby in their opinion insuring work, purchasing power and the continuance of so-called wartime prosperity; but if this were practicable, it would mean an ever-expanding burden of debt, necessitating a continuous depreciation in the value of money, thus keeping prices and wages in a constant turmoil and

THE BANK OF TORONTO

leaving no opportunity for stable planning on the part of any individual or any corporation. Such a programme would ultimately mean disaster as experienced by countries which have let inflation get out of hand and would not be consistent with the plans for currency stability initiated at Bretton Woods to which Canada as a nation has become a subscriber.

PROBLEMS TO BE SOLVED:

Our energies should be directed towards achieving a maximum of production accompanied by creation of new national wealth and new employment. We all watched with pride Canada's material contribution to the war and the high records of production achieved by her industries in the course of the wartime programme, the value of which exceeded \$10,000,000,000.

For the year 1944 the cash value of our farm products was \$1,800,000,000., nearly double the figure of 1939, while at the same time the number of workers in other than agricultural pursuits increased by about 60%. These efforts combined to raise our output as measured by indexes of production and national income by the same percentage and the figures demonstrate what is possible for Canada when the need exists and the opportunity permits.

What has to be done now is to keep the greatest possible amount of this productive energy at work as *Government controls continue to relax* and the supplying of consumers' requirements proceeds.

One of the most important tasks of the immediate postwar period is the direction of buying power into the channels which will be most creative of employment and of greatest value to our national future. Due to actual physical shortages and to well-founded anti-inflationary regulations and propaganda, Canadians for six years have to an increasing degree been denied their requirements and the consumer goods to which they were accustomed in normal times; hence there are shortages of houses, the equipment thereof, textiles and motor cars, in fact, everything that helps to make up the amenities of peacetime living.

People who have saved in order to obtain after the war the things they want, cannot be expected to do other than buy them when they are available. This situation (and it is not confined to Canada) means more buying power than there are goods available. It is therefore little short of tragic if in this situation, reconversion, employment and progress is to be impeded by strikes and work stoppages, which inevitably mean loss to all concerned and which might be avoided by the exercise of goodwill, co-operation and earnest consideration of the rights of others.

A further problem of a more permanent nature is that of securing adequate and continuing export markets. At the moment, there are special aids such as the purchases of UNRRA to offset outright destitution in Europe, and the granting of credits to Britain, to certain countries of Europe and to China, but these are only temporary measures against the time when the devastated countries may again be able to pay for what they need. With that time in view, we have to put our own house in order,

THE BANK OF TORONTO

examine carefully our costs, the governmental overhead that we can carry, and the prices at which we are prepared to put our goods on the world markets in competition with these other countries which we are presently aiding and which may shortly become keen competitors.

We must assure for ourselves a satisfactory place in the permanent postwar world and we may well select two specific targets towards which to direct our sights. One, the development of the widest possible international markets, to embrace not only the big buyers such as Great Britain and the United States, but also the Central and South American countries which have made material progress during the war years, and those of the far east which, once re-established in production and trade, should become increasingly a factor in the world's commerce. The second target should not even need to be mentioned since it is an essential to business of any kind, but in recent years of easy money and in these days of loose thinking, it has been and still is often overlooked. I refer to the necessity of giving value in return for the price paid. Upon the volume of production and export trade largely depends the wage level and the standard of living which accompanies it. Their very survival requires not only that labour give full value but that all other factors in production, including the mechanical improvements of the war period, be developed to utmost efficiency.

NATURAL RESOURCES

Our vast resources of timber, iron, nickel, copper and other metals provide the base for increased activity by the industries engaged in the production of building materials which are now in short supply the world over.

The national importance of the exploration, development and production of our bountiful mineral and other resources *cannot be over-emphasized*.

Responsible sources estimate that for every man directly engaged in mining, not less than 10 persons are indirectly employed in providing supplies, equipment and services. In 1944 mineral production was \$485,800,000, and the number of men employed in mining was 60,700. The Dominion Bureau of Statistics estimates that for 1945 with the same number of men employed, production was slightly lower. In recent years gold mining, due to labour shortage, has been greatly curtailed, but increased manpower now available and the bringing in of properties now in process of development, will result in much greater production in 1946.

Canada with her unexcelled sources of raw material, manufacturing equipment and technical skill, is in a preferred position to compete in world trade and commerce. She has an abounding opportunity to speed reconversion and enjoy a prosperous period of postwar business and employment.

THE BANK OF TORONTO

GENERAL MANAGER'S ADDRESS

MR. CHAIRMAN AND GENTLEMEN:

The Ninetieth Annual Statement submitted today discloses a strong position and a gratifying year of sound progress.

PROFITS:

Our earnings, after providing for all known contingencies, were approximately the same as for the previous year. After contributing \$250,000 to Staff Pension Fund, providing \$92,604 for depreciation on Bank Premises and Equipment, and \$801,777 for Dominion Government taxes, our net profits were \$935,137. Taxes were higher by \$113,812, of which \$43,445 is refundable. The regular dividends of \$600,000, at the rate of One Dollar per share, were paid, leaving a balance of \$335,137 to be added to Profit and Loss Account, which now stands at \$1,821,746.

TOTAL ASSETS:

Total Assets, \$356,361,000, increased \$54,321,000 and are the highest in the history of the Bank.

In keeping with the great expansion of the last six years in our national economy, the assets of this Bank, which in August 1939 just prior to the outbreak of the war amounted to \$152,897,000, now total \$356,361,000, an increase of 133%. Similarly, during the same period, the total assets of all the chartered banks have expanded from \$3,548,426,000 to \$7,389,309,000—an all-time high.

Our strong liquid position has been maintained, \$282,941,000, or 84.11%, of our total liabilities to the public being held in cash or assets readily convertible into cash. Cash and balances with other banks, including our deposit in the Bank of Canada, amounted to \$63,285,000.

SECURITIES:

Our investment in securities, \$207,095,000, is higher by \$24,108,000. Over 94% of our investments are in Dominion and Provincial bonds, and while those in the two-year category at \$66,529,000, as a result of the Dominion Government's paying off a round amount of Deposit Certificates in November last, are lower by \$10,639,000, those of longer dating, \$129,873,000, increased \$30,180,000. Municipal debentures, \$4,595,000, are higher by \$3,366,000, while other securities increased \$1,201,000 to a total of \$6,097,000.

CALL LOANS:

Call loans, \$12,560,000 (all fully secured by readily-marketable collateral) increased \$7,594,000 due to greater activity in the security market and temporary accommodation to Investment Dealers financing purchases of Victory Loans.

CURRENT LOANS AND DISCOUNTS:

Current Loans, \$64,056,000, show an increase of \$3,382,000.

THE BANK OF TORONTO

We are hopeful that with expanding peacetime production there will be a greater demand for loans for reconversion of plants and to finance heavier inventories and receivables.

We are particularly anxious to help small businesses. They are of major importance in the development of our country and many of our very sizeable concerns have grown from a small beginning.

MUNICIPAL LOANS:

Loans to Municipalities are at the low figure of \$1,789,000, a decrease of \$868,000, but with the resumption of capital expenditures of various kind, we anticipate a considerable increase.

BANK PREMISES:

At \$3,133,000 are higher by \$363,000. During the year a central property in Winnipeg was purchased on which, as soon as conditions permit, a building will be erected to accommodate our main branch in that city. In addition we found it necessary to increase our facilities at a number of branches to take care of their increased volume.

DEPOSITS:

Total deposits, \$329,645,000, show the very satisfactory increase of \$52,570,000.

Deposits from the public total \$265,919,000, consisting of non-interest-bearing deposits \$93,655,000, an increase of \$13,063,000, and interest bearing deposits \$172,263,000, an increase of \$31,845,000. Government deposits show an increase of \$7,661,000.

BRANCHES:

During the year a branch was opened at Val d'Or, Quebec, and at five points where, as a war measure, only partial service was being given, we have resumed full-time service.

STAFF:

In the first place I wish to pay tribute to those of our staff, over 500 male and female, who served their country in the Armed Forces.

Awards were conferred on fourteen of our men for distinguished service and we congratulate them sincerely.

With deep regret we record that forty-one of our men made the supreme sacrifice and we offer heartfelt sympathy to the bereaved families and friends.

Since the end of the war 135 of our young men have rejoined the staff and we are happy indeed to have them with us again. To those who are not yet discharged we say that they too will find a warm welcome awaiting them on their return.

That these men should be at no disadvantage for having served their country, increased remuneration is being granted them on the basis of their being continuously in our service, and that over 80% of those discharged have re-entered the Bank, exclusive of a number taking University courses, is, we believe, an indication of the friendly attitude existing.

THE BANK OF TORONTO

I extend also my sincere appreciation of the loyalty and efficiency of the staff as a whole. Senior and junior officers alike have responded wholeheartedly to the demands upon them, and to their combined efforts much credit is due for the success of the year's operations.

The staff now numbers 1,716, of whom 1,012 are women.

We are ever mindful of the welfare of our staff. Our Pension Fund and Group Life Insurance plans have provided benefits for many years, and as a help in case of sickness a Group Hospitalization Insurance plan was inaugurated during the past year. A large portion of the cost of all these is borne by the Bank. The benefits and protection are, we believe, fully appreciated by the staff and the goodwill created is a very valuable asset.

INSPECTIONS:

All branches of the Bank have been inspected by our own Inspection Officers during the year and the usual audit of cash securities and loans at Head Office and the principal branches in Toronto, Montreal, Winnipeg and Vancouver has been made by the shareholders' auditors.

SERVICE TO PUBLIC:

In the past few years I think that we, as bankers, have become increasingly conscious of our duties towards the public and this, we believe, has been evident throughout the period of the war. The demands on the Canadian banks might well have been too heavy, but with staffs badly depleted by enlistments, with replacements young and untrained, they gladly and wholeheartedly met each emergency in turn.

As we move into the postwar era, this bank is more than ever desirous of playing its full part in co-operation with agriculture and industry. By advice when new enterprises are contemplated, by information when new markets are sought, with assistance and guidance in facing problems, we desire our managers to be of the greatest possible help. To assist them we have at Head Office established a new Services Department which already has proved its usefulness and its scope is increasing daily.

Our loaning policy is definitely more liberal. Our sense of responsibility to our shareholders and depositors is no less strong than it has ever been but we have felt that, without sacrifice of their interests, we could serve our borrowing customers, particularly small business and individuals, to a greater extent than heretofore. Often a borrower's own capital is limited but where this bank believes a project is sound, has faith in the character and ability of its customer and feels that, barring the unforeseen, he can carry his project to a successful conclusion, it stands ready to assist him within reasonable limits.

1946 heralds the dawning of a new era—an era in which tolerance, co-operation and goodwill must guide us if we are to have enduring peace.

Let us face the future with confidence, each of us for the common good resolved to do his full share in overcoming the problems ahead.

THE BANK OF TORONTO

Moved by Mr. F. H. MARSH, seconded by Mr. F. K. MORROW,
and

Resolved—That the report of the Directors and Statement which has
now been presented be adopted.

Carried.

The Chairman expressed his regret that Mr. D. McK. McCLELLAND of
Price, Waterhouse & Company, who had capably served as an auditor for the
Bank over a long period of years, had asked that his name be not considered
for election to that position, due entirely to his desire to curtail his business
activities, and explained it was therefore necessary to nominate another
auditor in his stead.

Moved by Mr. ROY L. WARREN, seconded by Mr. C. Q. PARKER,
and

Resolved—That Mr. GEOFFREY T. CLARKSON, F.C.A., of Clarkson,
Gordon, Dilworth & Nash, and Mr. W. L. L. McDONALD, C.A., of Price,
Waterhouse & Company, be appointed Auditors of this Bank for the ensuing
year, and that their remuneration shall not exceed the sum of \$15,000, to be
divided between them in such manner as the Directors shall consider just
and reasonable.

Carried.

Moved by Mr. V. R. SMITH, seconded by Mr. T. D'ARCY LEONARD,
and

Resolved—That the thanks of the Shareholders be tendered to the Presi-
dent, Vice-President and Directors for their capable direction of the Bank's
affairs, also to the General Manager, the Assistant General Managers and
other officers of the Bank for their efficient services during the past year.

Carried.

Moved by Mr. D. E. KILGOUR, seconded by Mr. W. G. WATSON,
and

Resolved—That the Scrutineers cast one ballot for the election of the
following named gentlemen as Directors of The Bank of Toronto:—

MAJOR-GEN. FRANK S. MEIGHEN
J. DOUGLAS WOODS
AUBREY DAVIS
HARRY J. CARMICHAEL
ARTHUR H. CAMPBELL
JOHN J. VAUGHAN
J. J. E. MCCAGUE
F. H. MARSH

FREDERICK K. MORROW
GEORGE KIDD
EDWARD D. GOODERHAM
HORACE T. HUNTER
R. L. BEATTIE
JOHN R. READ
R. J. CULLEN
J. L. CARSON

THE BANK OF TORONTO

The Scrutineers reported the ballot in favour of the above named gentlemen and the Chairman declared them duly elected.

At a subsequent meeting of the new Board, Mr. F. H. MARSH was elected President, and Mr. JAMES L. CARSON, Vice-President.

By Order of the Board,

B. S. VANSTONE,
General Manager.



THE BANK OF TORONTO

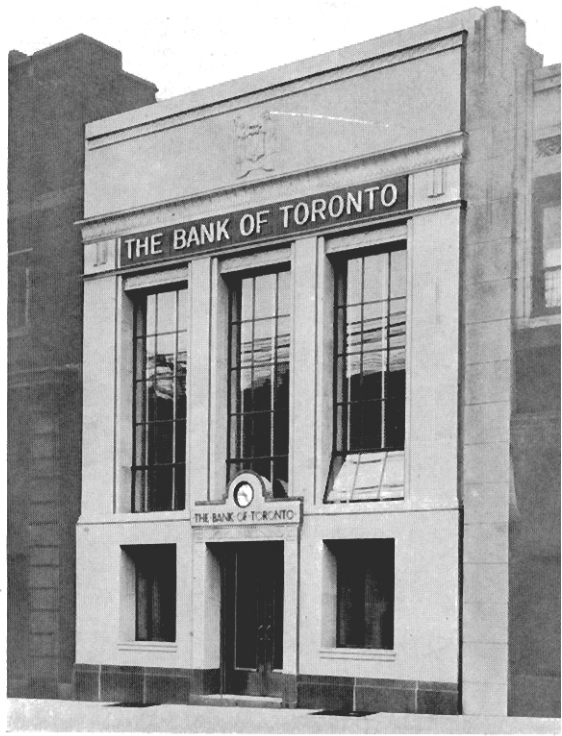
... BRANCHES ...

ONTARIO

Toronto, King St. W., cor. Bay St.	R. J. Burtis,	Manager.
(Main Office)	H. S. Chambers,	Asst. Mgr.
" Bloor & Bay Sts.	J. H. Brown,	Manager.
" Bloor & Jane Sts.	C. P. Roper,	"
" Bloor & Royal York Rd. (Kingsway)	J. Harding,	"
" Church & Wellington Sts.	W. Miller,	"
" Danforth & Dewhurst	W. S. Dick,	"
" Dundas & Keele	T. W. Harper,	"
" Dundas St., cor. Ossington Ave.	G. M. Kennedy,	"
" Dundas St., cor. Roncesvalles Ave.	H. E. Burns,	"
" Eglinton & Avenue Rd.	A. B. Clarke,	"
" Eglinton & Bathurst St.	R. P. Wright,	"
" Eglinton & Heddington Ave.	J. R. Clark,	"
" Elm St., cor. Elizabeth St.	H. J. Carmichael,	"
" King St. W., cor. Bathurst St.	J. J. Hay	"
" Mt. Pleasant Rd., cor. Belsize Drive	J. A. MacDonnell,	"
" Queen & Kenilworth Ave.	W. D. Cooper,	"
" Queen E. & Logan Ave.	L. S. Barr,	"
" Queen St. E., cor. Parliament St.	H. R. Warren,	"
" Queen St. W., cor. Spadina Ave.	Jas. Stewart,	"
" St. Clair & Bathurst St.	A. H. Armstrong	"
" St. Clair Ave. and Christie St.	C. D. Valpy,	"
" Yonge St., No. 205,	E. Brown,	"
" Yonge St. & Bedford Park Ave.	H. A. Daykin,	"
" Yonge St. & Belsize Drive	J. E. H. Campbell,	"
" Yonge St. & St. Clair Ave.	R. C. Waram,	"
Allandale	F. Stevenson,	"
Alliston	G. M. Lawrence,	"
Barrie	H. R. Nettleton,	"
Bethany	A. H. A. Padgham,	"
Brantford	D. McLennan,	"
Brockville	B. F. A. Lewis,	"
Burford	R. J. Sim,	"
Cardinal	G. D. Gowans,	"
Carlisle	(Sub to Freulton)	"
Clarksburg	G. E. Liesemer,	"
Cobourg	W. N. Bradley,	"
Coldwater	I. G. Weylie	"
Collingwood	O. G. Bernhardt,	"
Copper Cliff	R. Gray,	"
Creemore	J. H. Lawrence	Act. Mgr.
Creighton Mine	A. B. Diack,	Manager
Dorchester	H. C. Francis,	"
Dunnville	F. C. Millard,	"
Elmvale.	W. J. Schaefer,	"

THE BANK OF TORONTO

Everett	(Sub to Alliston)	Manager
Feversham	F. W. Hannah	"
Fort William	C. C. Eddy,	"
Freelton	C. N. Robinson,	"
Frood Mine	(Sub to Sudbury)	"
Galt	P. J. Wright,	"
Gananoque	J. H. Mills,	"
Garson Mine	(Sub to Sudbury)	"
Hamilton, 37 James St. S. (Main) .	F. S. Potter,	"
" Aberdeen & Dundurn St.	D. E. Morgan,	"
" Market Branch	H. R. Cluff,	"
Havelock	S. J. W. Clarke,	"
Keene	D. D. Brown,	"
Kerwood	A. MacKay,	"
Kingston	A. C. Edward,	"
Kitchener	W. E. Sharpe,	"
Levack	E. R. Southcott	"
London (Main Office)	J. R. Wright,	"
" City Hall Branch	T. C. Margrett,	"
" East End Branch	K. S. King,	"
" Market Branch	M. S. Hargreaves,	"
Lyndhurst	W. P. Bilger,	"
MacTier (Sub to Parry Sound)	M. Weller,	"
Markdale	A. E. Hunt,	"
Meaford	H. L. Knight,	"
Millbrook	H. A. Kerr,	"
Morrison	(Sub to Freelton)	"
New Lowell	(Sub to Stayner)	"
Newmarket	H. E. Lambert,	"
Oakville	H. G. McKillop	"
Oil Springs	H. B. Newton,	"
Omeme	W. F. Hyde,	"
Orangeville	G. T. Sullivan,	"
Ottawa 106 Sparks St. (Main) .	Geo. Hay,	"
" Ottawa South	J. H. Smith,	"
" Union Station Branch . . .	V. R. Tufford,	"
" West End, 1726 Wellington	W. M. Weylie,	"
Owen Sound	S. R. Way,	"
Paris	T. B. Chester	"
Parry Sound	F. N. Hurst,	"
Penetanguishene	C. H. Smith,	"
Peterboro	J. L. Thompson,	"
Petrolia	A. C. Lord,	"
Port Hope	E. G. Britton,	"
Preston	W. A. McEvoy,	"
St. Catharines	E. J. H. Vanston,	"
St. Marys	S. G. Page,	"
Sarnia	J. W. Simpson,	"



Exterior and Interior Views of
THE BANK OF TORONTO
Yonge and St. Clair Branch, Toronto





Exterior and Interior Views of
THE BANK OF TORONTO
St. Catharines Branch



THE BANK OF TORONTO

Seeley's Bay	(Sub to Lyndhurst)	Manager
Shelburne	Jas. Milmine	"
South Porcupine	W. S. McDowell,	"
Stayner	L. A. Gould,	"
Stratford	F. A. Maples,	"
Sudbury	W. E. Van Norman,	"
" North End	H. Nightingale,	"
Thornbury	B. C. McArthur	"
Trenton	B. F. Joyce,	"
Walkerville	L. N. Hicks,	"
Wallaceburg	G. E. Armstrong,	"
Waterloo	J. S. McMillan,	"
Welland	J. E. Curry,	"
Windsor	W. H. Hiscock,	"
Wyoming	F. O. Johnston,	"

QUEBEC

Montreal, Main Office	J. J. Winsby,	Manager
(St. James St., cor McGill)	C. D. O. McGill	Asst. Mgr.
" Atwater Ave., cor. St. Antoine	C. A. Dixon,	Manager
" Bernard & Hutchison	H. B. Anderson,	"
" Board of Trade	I. J. Hutton,	"
" Maisonneuve	E. J. Valois,	"
" Peel St., No. 1232	B. M. Currie,	"
" St. Catherine St., cor. Guy	A. H. Walsh,	"
" St. Catherine St. E., No. 1490	R. Mutch,	"
" St. Hubert & Belanger Sts.	J. E. Long,	"
" St. Lawrence Blvd. & Ontario St.	H. L. Lennon,	"
" Sherbrooke & Claremont,	A. K. Young,	"
Westmount		
" Van Horne Ave., No. 1555	W. J. Strathdee,	"
Outremont		
Gaspé	W. W. Annett,	"
Malartic	E. Latimer,	Act. Mgr.
St. Lambert	B. C. Case,	Manager
Val d'Or	R. F. Champion	"

MANITOBA

Winnipeg, 454 Main St. (Main)	S. B. Chamberlain,	Manager.
	M. E. Kerr,	Asst. Mgr.
" Academy Rd. & Niagara St.	G. A. R. Ferguson,	Manager
" Portage & Edmonton	W. W. Wright,	"
" Sherbrooke & Westminster	James Souter,	"
Benito	C. F. Drager,	"
Cartwright	A. B. Fee,	"
Pilot Mound	M. C. Manhard,	"
Rosburn	N. Toland,	"
St. Boniface, (Union Stock Yds.)	G. R. Tucker,	"
Swan River	H. R. Chapin,	"
Transcona	W. R. Lawrie,	"

THE BANK OF TORONTO

SASKATCHEWAN

Assiniboia	Geo. Kay,	Manager
Bredenbury	J. E. Conn,	"
Colonsay	J. C. Thom,	"
Glenavon	C. H. Langridge	"
Glidden	(Sub to Madison)	"
Gravelbourg	V. E. French,	"
Hodgeville	W. R. Topham,	"
Kipling	L. Gemmill,	"
Kyle	B. Collins,	"
Lafleche	J. W. Runge	"
Langenburg	C. A. Venn	"
Madison	Robert Steel,	"
Mazenod	N. E. Weaver,	"
Meyronne	J. H. Thomsen	"
Montmartre	J. M. Reinheimer,	"
Neilburg	C. L. Thompson,	"
Preeceville	J. B. Simpson,	"
Regina	G. A. Hetherington,	"
Rosetown	H. W. Thompson,	"
Smiley	E. B. Little,	"
Welwyn	E. R. Ridgway,	"
Wolseley	R. H. Wilson,	"
Yorkton	W. J. Miller,	"

ALBERTA

Barrhead	T. R. Menzies,	Manager
Bonnyville	H. Desroches,	"
Calgary	F. C. Burnet,	Manager
Clandonald	R. F. Larcombe,	Asst. Mgr.
Coronation	G. F. Stonehouse,	Manager
Edmonton	H. L. Staples,	"
Marwayne	W. Kerr,	"
Oyen	C. E. Beirnes,	Asst. Mgr.
	O. C. Cornwell,	Manager

NORTHWEST TERRITORIES

Yellowknife	J. E. Boyle,	Manager
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BRITISH COLUMBIA

New Westminster	C. D. McMillan,	Manager
Pioneer Mine	E. P. Rush,	"
Vancouver, Main Office	W. B. McCrick,	"
" (Hastings & Seymour Sts.)	S. G. Bickley,	Asst. Mgr.
" Burrard & Robson Sts.	A. Logan,	Manager
" Cambie St.	Alan Keenlyside	Actg. Mgr.
" Kerrisdale Branch	J. McKendrick,	Manager
" West Georgia St., 545,	W. A. Walters,	"
" 10th Ave. & Alma Road	W. Dickie,	"
" 12th Ave. & Granville	S. H. Abrams,	"
Victoria (Main Office) Yates & Broad Sts.	C. W. Pangman,	"
" Douglas St.	S. D. Markham,	"

THE BANK OF TORONTO

PRINCIPAL AGENTS AND CORRESPONDENTS

BRITISH AND FOREIGN

GREAT BRITAIN	Midland Bank, Limited
“	Brown Shipley & Company
“	National Provincial Bank Ltd.
“	Williams Deacon's Bank Ltd.
AFRICA (South)	Barclays Bank (Dom. Col. and Overseas)
“	Standard Bank of South Africa Ltd.
AUSTRALIA	Bank of Australasia
“	Bank of New South Wales
CHINA	Bank of China
“	National City Bank of New York
DENMARK	Kjobenhavns Handelsbank
FRANCE	Credit Commercial de France
GREECE	Ionian Bank Ltd.
HOLLAND	Nederlandsche Handel Maatschappij
INDIA	National City Bank of New York
NEW ZEALAND	National Bank of New Zealand
NORWAY	Den Norske Creditbank
SWEDEN	Goteborgs Handelsbank
SWITZERLAND	Banque Populaire Suisse
“	Union Bank of Switzerland

UNITED STATES

ALBANY, N.Y.	National Commercial Bank & Trust Company
BALTIMORE, MD.	Maryland Trust Company
BOSTON, MASS.	Brown Bros., Harriman & Co.
“	First National Bank of Boston
“	National Shawmut Bank of Boston
BUFFALO, N.Y.	Manufacturers & Traders Trust Company
“	Marine Trust Company of Buffalo
CHICAGO, ILL.	Continental Illinois Nat'l Bank & Trust Co.
“	First National Bank of Chicago
CINCINNATI, OHIO	Fifth, Third Union Trust Company
“	First National Bank
CLEVELAND, OHIO	Central National Bank of Cleveland
DETROIT, MICH.	National Bank of Detroit
LOS ANGELES, CAL.	Bank of America Nat'l Trust & Savings Ass'n.
MINNEAPOLIS, MINN.	Brown Bros., Harriman & Co.
“	First National Bank & Trust Co.
NEWARK, N.J.	Merchants & Newark Trust Co.
NEW YORK, N.Y.	Bank of The Manhattan Co.
“	Bankers Trust Company
“	Brown Bros., Harriman & Co.
“	Chase National Bank of New York
“	Chemical Bank & Trust Co.
“	Commercial National Bank & Trust Co.
“	Empire Trust Company
“	Guaranty Trust Company of New York
“	Irving Trust Company
“	Manufacturers Trust Co.
“	J. P. Morgan & Co. Inc.
“	National City Bank of New York
“	Public National Bank & Trust Co.

THE BANK OF TORONTO

UNITED STATES—Continued

PHILADELPHIA, PA.	Brown Bros., Harriman & Co.
"	Central Penn National Bank
"	Corn Exchange National Bank & Trust Co.
"	Market St. National Bank
"	Philadelphia National Bank
PORTLAND, ORE.	United States National Bank
PROVIDENCE, R.I.	Industrial Trust Co.
ST. LOUIS, MO.	Boatmens National Bank
SAN FRANCISCO, CAL.	American Trust Company
"	Bank of America Nat'l Trust & Savings Ass'n.
SEATTLE, WASH.	Seattle First National Bank
"	People's National Bank of Washington

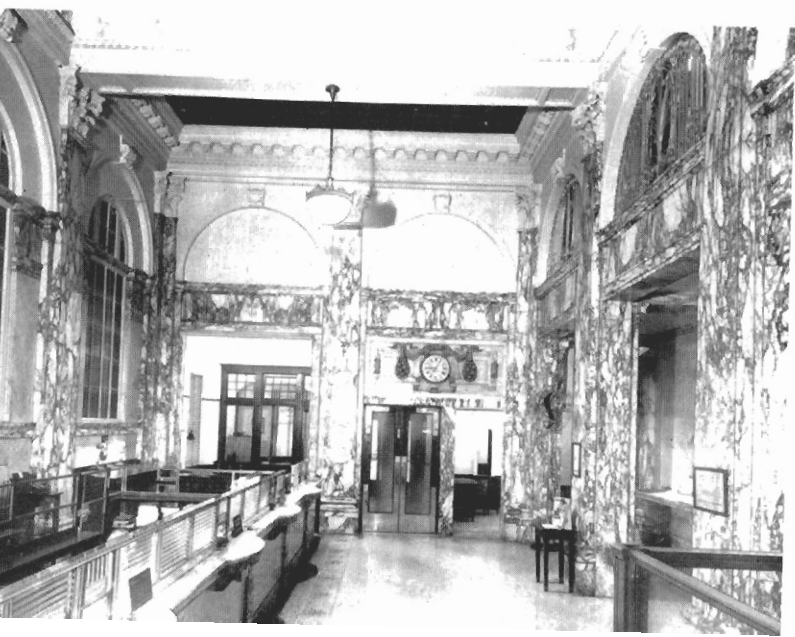
The following comparative figures taken from
the Annual Statements show the growth
of the Bank since its Incorporation

Year	Capital and Reserves	Deposits	Loans and Investments	Assets
1857	\$ 439,148	\$ 263,100	\$ 1,103,078	\$ 1,268,413
1865	943,126	885,349	1,994,718	2,405,793
1875	3,031,330	2,413,998	5,743,468	6,739,785
1885	3,164,544	4,412,742	7,849,308	8,967,198
1895	3,875,492	9,720,716	12,407,487	15,208,409
1905	7,428,216	21,367,075	27,433,324	32,806,741
1915	11,439,382	48,769,766	48,074,186	66,767,203
1925	12,322,079	84,558,764	83,872,933	110,966,887
1935	15,843,565	101,265,479	101,395,007	126,918,925
1945	19,821,746	329,645,400	287,457,906	356,361,556

Paid-up Capital - -	\$ 6,000,000.00
Rest Account - -	12,000,000.00
Profit and Loss Account	1,821,746.52
	<u>\$19,821,746.52</u>



Bank of Toronto Building
Dundas and Wellington Sts.
LONDON, ONTARIO



Bank of Toronto
205 Yonge St. Branch
TORONTO

