

Note 2: Cash Resources

(Canadian \$ in millions)	2008	2007
Cash and non-interest bearing deposits with Bank of Canada and other banks	\$ 6,936	\$ 2,264
Cheques and other items in transit, net	2,198	1,386
Total cash and cash equivalents	9,134	3,650
Interest bearing deposits with banks	11,971	19,240
Total	\$ 21,105	\$ 22,890

Cash and Cash Equivalents

Cash and cash equivalents comprise balances, including cash and non-interest bearing deposits with Bank of Canada and other banks and cheques and other items in transit.

Deposits with Banks

Deposits with banks are recorded at amortized cost and include acceptances we have purchased that were issued by other banks. Interest income earned on these deposits is recorded on an accrual basis.

Cheques and Other Items in Transit, Net

Cheques and other items in transit are recorded at cost and represent the net position of the uncleared cheques and other items in transit between us and other banks.

Cash Restrictions

Some of our foreign operations are required to maintain reserves or minimum balances with central banks in their respective countries of operation, amounting to \$480 million as at October 31, 2008 (\$457 million in 2007).