

prepared to overcome or avoid. So also, in a modified sense, will a bank president need to be chosen with the utmost care and regard for his qualifications as the bank's chief representative officer. It is not wise to have a president who will be the tool of the manager, nor wise either to select one whose business engagements will be liable to conflict with his duties, or even to raise a suspicion in the public mind that they do so.

Without entering upon details it may be affirmed that, men who are engaged in some occupations of a financial nature may be most useful on a board of bank directors, owing to their special knowledge of certain classes of business conducted by some customers of the bank, while the same men would not be suitable for the office of president. It is then of the utmost importance that the organizers and original shareholders of new banks pay special heed to the urgency of appointing a manager and president who will each command public confidence and be recognized by the other banks as honourable, provident and expert, fully capable of discharging their respective duties so as to maintain the high standard which has been reached by the banks of Canada.

THE UNITED KINGDOM BANKING RETURNS, 1902.

COMPARISONS BETWEEN THE FIGURES OF 1898 AND 1902;
CANADA'S BANK RETURNS COMPARED WITH THOSE OF
ENGLAND.

The statements issued by the banks of the United Kingdom differ so widely from those of the Canadian banks as well as from those of the United States that detailed comparisons are not practicable. In a very few points do the figures in these returns represent the same classifications. As a specimen of the form of Balance Sheet adopted by old country banks that of "Lloyd's Bank, Limited," is presented, that institution being so well known in Canada.

The following is the statement as published in "The Economist," London, England:—

BALANCE SHEET, DECEMBER 31, 1902.

Liabilities.

Current, deposit and other accounts, including rebate of bills and provision for contingencies.....	£52,463,423
Profit and Loss balance.....	361,873
Bills accepted or endorsed.....	2,156,218
Liabilities in respect of customers' loans to brokers fully secured, £200,000.....	
Capital paid up.....	2,928,000
Reserve fund.....	2,000,000
	<u>£59,909,514</u>

Assets.

Cash in hand and with Bank of England.....	£ 9,008,410
Cash at call and short notice.....	4,747,868
Bills of Exchange.....	6,419,238
Consols and other British Gov't securities.....	5,417,116
Stocks, debentures and other investments.....	8,784,259
Advances to customers and other securities.....	27,091,734
Liabilities of customers for bills accepted and end'd by the company.....	2,156,218
Bank premises.....	1,284,671
	<u>£59,909,514</u>

Were a Canadian bank to issue a statement in that form it would be a puzzle to every shareholder. In another return of this bank we find the total discounts and advances to be £33,510,972, or \$167,554,800, but what the deposits are cannot be discovered from the statements, as they are mixed up with "rebates and provision for contingencies" which is a highly incongruous mixture as there is nothing whatever in common between the actual money due to the depositors and the fund laid aside by a mere bookkeeping entry to cover the rebate of bills, and provision for possible bad debts. From summaries of the bank statements of the United Kingdom as published by our contemporary we have compiled the following, the sterling being converted into currency at \$5 per £.

	Banks of England and Wales.	Scotland.	Ireland.
	\$	\$	\$
Capital paid up.....	310,446,500	46,580,350	36,179,750
Market value of do....	1,014,162,200	160,716,000	110,881,000
Reserve fund.....	185,592,800	36,841,120	19,545,000
Circulation.....	151,262,200	40,221,020	34,206,500
Deposit and current accounts.....	*3,327,696,480	534,305,565	251,236,085
Cash in hand and at call.....	971,213,400	130,158,325	59,095,950
Bonds, stocks, etc....	830,478,380	165,153,080	94,389,095
Disc'ts and advances..	2,175,748,130	352,437,240	186,925,310
Total liabilities.....	4,152,634,270	690,837,760	346,789,140

*Includes the rebates and provision for contingencies of some banks.

It is much to be regretted that these bank returns are not issued in a more intelligible form and that the figures are not more carefully classified.

COLONIAL AND FOREIGN BANKS IN ENGLAND.

Besides the above Joint Stock Banks of the United Kingdom there are three other classes operating therein, a summary of whose returns is as follows:—

	Colonial Banks.	Foreign.	Private.
	\$	\$	\$
Capital paid up.....	173,573,045	291,816,030	26,224,210
Reserve fund.....	57,105,115	98,782,130
Deposit and current accounts.....	1,029,052,775	1,089,919,180	172,876,235
Cash in hand and at call.....	360,496,820	242,601,000	43,330,235
Bonds, stocks, etc....	124,900,000	119,230,000	58,175,000
Disc'ts and advances..	931,825,600	1,472,190,000	96,908,090
Total liabilities.....	1,476,225,035	1,834,664,500	204,839,050

The returns of those outside banks are not in such a form as to give any assistance in ascertaining the amount of banking business done in the United Kingdom, as the home business of the Colonial and Foreign banks is included in the statements. For instance, we find the full statement of the Bank of Montreal and of the Bank of Commerce amongst the Colonial Joint Stock Banks with London offices, the bulk of whose returns indicate the amount and condition of their business in Canada.

There is an excellent and attractive opening for a statistical enquiry into the actual business done by all classes of banks in the United Kingdom respecting which the information available is nothing like as complete, or as skilfully tabulated as are the statistics of our Canadian banks, or those of the United States. But, in the art of presenting