

SASKATCHEWAN MORTGAGE & TRUST CORPORATION

Gross profits for the year 1918 of the Saskatchewan Mortgage and Trust Corporation, Limited, of Regina, were \$70,424, according to the statement submitted at the recent annual meeting. This is considerable increase over the previous year and after deducting cost of administration, taxes and rentals, amounting to \$16,007, it leaves a net profit for the year of \$54,413.82. After adding to this amount the balance carried forward from the previous year, it makes a total profit of \$64,661.39, which was disposed of by paying \$45,188.05 to the shareholders by way of dividends, adding \$10,000 to the reserve account, which now amounts to \$100,000, and the balance of \$9,473.34 was carried forward. The following directors were elected: J. F. Bole, president; A. E. Whitmore, vice-president; F. N. Darke, F. J. James, S. C. Burton, A. W. McGregor, R. M. Johnson, Hon. A. P. McNab, John F. Reid, A. G. Rawlinson and C. V. Smith, manager and secretary.

WESTERN ASSURANCE COMPANY

At the annual meeting of the Western Assurance Co. held in Toronto on February 27th, the president, Mr. W. B. Meikle, discussed the leading features of the company's statement. This statement was reviewed in comparison with that of the previous year in our issue of February 28th. In the comparative figures there given, however, the total income was stated to be \$6,693,695. This did not include the balance brought forward from 1917 and the net increase in the market value of securities, which bring the total income for 1918 to \$8,736,268, or more than for the year 1917. In addressing the shareholders Mr. Meikle said:—

"With most of the other expenses in carrying on business increased through war conditions, the turning out of a satisfactory profit is not easy. But when to net profit on underwriting we add our interest earnings of \$181,963.95 and the net increase in market value of securities of \$121,660, we have the large amount of \$562,929.15, and as the reserve for unearned premiums on the government standard was reduced by \$69,183.87, the improvement for the year is no less than \$632,113.02.

"From this amount two half-yearly dividends on the preference stock amounting to \$70,000 were paid, \$50,000 has been carried to reserve to provide for taxes accrued but not yet due, and another \$50,000 has been put to a new reserve against future possible depreciation in securities. Last year we went even below the then market value in our securities, but the end of the war has relieved our minds of a further fall in prices, and this new reserve of \$50,000 may check any temporary depreciation at the end of any future year.

"After making these payments and provisions for reserves the balance in hand as at December 31st, 1917, is increased by \$392,000.43 to \$2,312,911.67, and as the government standard for unearned premium reserve was \$2,344,327.80 at 31st December last there is only the small sum of \$31,416.13 to make up to enable us to have a full reserve and to relieve the preferred stock from any longer standing as the bulwark for this reserve.

"A dividend on the preference stock for the last half of the year was paid in January of this year, and including this as a liability as of the end of last year the amount required to make up the government's standard of reserve would be increased to \$66,416.13. There may be some adjusting entries which the Ottawa department may require and these may or may not increase the deficit, but in any case if 1919 is a year which gives a trading profit of say at least \$200,000 this, with the interest earnings, would be sufficient to pay a dividend to the common shareholders—subject, of course, to there being no serious increase in the unearned premium reserve.

"It will be of interest to the shareholders to know that the interest account is now of such a size that in itself it can give not only the preference stockholders their dividend but has enough left to provide a 7½ per cent. dividend to the common stockholders, and this without touching the underwriting profit on the business."

FINANCE



DEPARTMENT

Dominion Income War Tax Act

TO WHOM APPLICABLE

Every person who in 1918 resided or ordinarily resided in Canada, or was employed in Canada or carried on business in Canada, including corporations and joint stock companies.

WHO SHOULD FILE RETURNS

1. Every unmarried person or widow or widower, without dependent children under twenty-one years of age, who during calendar year 1918 received or earned \$1,000 or more.
2. All other individuals who during the calendar year 1918 received or earned \$2,000 or more.
3. Every corporation and joint stock company whose profits exceeded \$3,000, during the fiscal year ended in 1918.

FORMS TO BE FILLED IN AND FILED

FORM T1. By individuals, other than farmers and ranchers.

FORM T1A. By farmers and ranchers.

FORM T2. By corporations and joint stock companies.

FORM T3. By trustees, executors, administrators of estates and assignees.

FORM T4. By employers to make return of the names of all directors, officials, agents or other employees to whom was paid \$1,000 or more in salaries, bonuses, commission or other remuneration during the calendar year 1918.

FORM T5. By corporations, joint stock companies, associations and syndicates to make return of all dividends and bonuses paid to shareholders and members during 1918.

Individuals comprising partnerships must file returns in their individual capacity.

GENERAL INFORMATION

All returns must be filed IN DUPLICATE.

Forms may be obtained from the Inspectors and Assistant Inspectors of Taxation and from the Postmasters at all leading centres.

Returns should be filed immediately.

Postage must be prepaid on letters and other documents forwarded by mail to Inspectors of Taxation.

Address of Inspector of Taxation for this District :

TORONTO DISTRICT

Inspector of Taxation,
59 Victoria Street, TORONTO, Ont.