THE BANK OF BRITISH NORTH AMERICA—*Continued.*

line amongst the assets is "Deposit in Central Gold Reserves," $248,200.00, which I will explain later on. And now, leaving the maze of these unaccustomed figures, I come to the profit and loss account. You will observe that (still in conformity with the Act) we now give the figures for the whole year, instead of for six months only as in the past. This, I think, is an improvement for it shows at a glance the result of the year's operations. The net profit was $689,745.00, which compared with, in 1912, $678,505.00, an increase of $11,240.00. Seeing that 1912 was a year of only eleven months that result would appear to be somewhat diasppointing, but it is not so really, for the earning power of the bank was better than ever. There were, however, certain items in 1913 charged against the profit and loss account that did not appear in 1912, amounting to $77,866.66. The principal item in this total was in anticipation of probable loss in respect of the guarantee for the Sovereign Bank; another was for depreciation in investments. With this explanation I think that we may be fairly well satisfied with the results of the year's operations. You have already seen, both from the report and the balance-sheet, the proposed distribution of the profits. $389,333.33 goes in the payment of the dividends, $97,333.33 to the reserve fund, $97,333.33 to the bank premises account, and $36,500.00 in the payment of a bonus of 5 per cent. to the staff. You have, in the past, always so generously sanctioned the payment of the bonus to the staff that we are encouraged to ask you to do so once more, and we couple this request with the assurance that it is deserved, for I cannot speak too highly of the loyalty and the energy displayed by all ranks of the service in their duty to the bank. We have also made the usual appropriations for the Officers' Widows and Orphans Fund, the Pension Fund, and the Life Insurance Fund, of which I feel confident that you will approve. The Pension Fund inevitably increases with the constant growth of the staff and the retire-

(*Continued on next page*)

BALANCE SHEET 29th NOVEMBER, 1913.

LIABILITIES.

Capital		$ 4,866,666.66
20,000 shares of £50 each, fully paid.		
Reserve Fund		3,017,333.33
Dividends Declared and Unpaid..		5,359.53
PROFIT AND LOSS ACCOUNT:—		
Balance brought forward from 30th Nov., 1912	$288,113.45	
Dividend paid April, 1913 ..	194,666.66	
	$ 93,446.79	
Net profit for the year ending this date after deducting all current charges, and providing for bad and doubtful debts	689,745.10	
	$783,191.89	
Dividend paid October, 1913..	194,666.66	
	$588,525.23	
DEDUCT:—		
Transferred to Reserve Fund $97,333.33		
Transferred to Bank Premises Account .. 97,333.33		
Transferred to Officers' Widows' and Orphans' Fund ... 7,440.72		
Transferred to Officers' Life Insurance Fund 1,946.66		
Transferred to Officers' Pension Fund. 44,866.95		
Staff Bonus.. .. .. .. 36,500.00		
	$285,420.99	
Balance available for April Dividend		$ 303,104.24
Notes of the Bank in Circulation		4,876,309.74
Deposits not Bearing Interest		13,437,952.86
Deposits Bearing Interest, including Interest accrued to date		24,792,977.77
Balance due to other Banks in Canada ..		1,023.05
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries		448,694.47
Bills Payable		7,516,510.00
Acceptances under Letters of Credit		1,793,312.74
Liabilities and Accounts not included in the Foregoing		1,585,645.73
Liability on Endorsements.. .. .. $213,047.38		
Liability under Guarantee in respect of the Sovereign Bank of Canada $300,000.00		
		$62,644,890.12

ASSETS.

Current Coin and Bullion	$1,142,584.45	
Dominion Notes	4,236,891.49	
		$ 5,379,475.94
Notes of other Banks		314,863.23
Cheques on other Banks		2,206,599.65
Balances due by other Banks in Canada..		21,622.94
Balances due by Banks and Banking Correspondents elsewhere than in Canada		1,411,389.91
Canadian Municipal Securities and British Foreign and Colonial Public Securities other than Canadian—Exchequer Bonds, £310,300, at Cost		1,505,165.22
Railway and other Bonds		103,411.71
Call and Short Loans in Canada on Bonds, Debentures and Stocks		1,657,343.51
Call and Short Loans elsewhere than in Canada		7,665,799.93
Other Current Loans and Discounts in Canada (less Rebate of Interest)		28,696,964.70
Other Current Loans and Discounts elsewhere than in Canada (less Rebate of Interest)		7,718,635.00
Liabilities of Customers under Letters of Credit as per Contra		1,793,312.74
Real Estate other than Bank Premises ..		208.18
Overdue Debts (estimated Loss provided for).		238,631.18
Bank Premises at not more than Cost, Less Amounts Written off		1,694,736.73
Deposit with the Canadian Minister of Finance for the purposes of the Circulation Fund—Dominion of Canada 3 3-4 per cent. Bonds, £250,000 at 98	$1,192,333.33	
Cash	232,248.06	
		1,424,581.39
Deposit in Central Gold Reserves		250,000.00
Other Assets and Accounts not included in the Foregoing		562,148.16
		$62,644,890.12

E. A. HOARE, }
F. LUBBOCK, } Directors.
H. B. MACKENZIE, General Manager.

We have examined the above Balance Sheet with the Books in London, and the Certified Returns from the Branches, and find it to present a true statement of the Bank's affairs as shown by the books and returns.

London, 17th February, 1914.

G. SNEATH,
N. E. WATERHOUSE,
Auditors.

Of the Firm of
Price, Waterhouse & Co.
Chartered Accountants.