

ROYAL BANK HAS STRONG POSITION

The business of the Royal Bank of Canada reached a new high record in the year ended on November 30th last, as shown in the 44th annual statement, just issued. During the period mentioned the profits crossed the two-million-dollar mark, reaching a total of \$2,142,100.22, after deducting all charges of management and other expenses, accrued interest on deposits, full provision for bad and doubtful debts and rebate of interest on unmatured bills.

The profits for the year, together with the \$610,219.36 brought forward in profit and loss account at the beginning of the year just ended, made a total of \$2,752,319.58, from which to meet the dividends and appropriations. These were as follows:—

Four dividends at the rate of 12 per cent. per annum	\$1,387,200
Transferred to officers' pension fund	100,000
Written off bank premises account	250,000

This total of \$1,737,200 being deducted from the sum at the disposal of the bank, left a balance of \$1,015,119.58 in the profit and loss account at the end of the year. The net result of the year, therefore, is that the profit and loss account has been increased by \$404,900.22, after all deductions for expenses, dividends and appropriations have been made.

As the paid-up capital of the bank amounts to \$11,560,000, it will be seen that the profits for the year are slightly in excess of 18½ per cent. on the capital.

Equally pleasing are the figures contained in the statement of assets and liabilities. As against total liabilities to the public, amounting to \$154,761,440.04, are cash reserves of \$21,466,209.72, being 13.83 per cent., while the liquid assets amount to \$72,385,791.71 and bear the ratio of 46.66 per cent. to the liabilities.

A new item in the cash assets this year is the amount of \$2,000,000 deposited in the central gold reserve. This deposit gives to the bank additional powers in the matter of note circulation, the total of which at the end of November, amounted to \$13,176,634, or \$1,616,000 in excess of the paid-up capital. The amount which the Royal carries in the new central gold reserve is the largest of any Canadian bank.

Deposits bearing interest are well above the hundred-million-dollar mark, being \$101,900,790.87. When this is added to the sum of \$36,726,871.60 on deposit but not bearing interest, total deposits of \$138,177,662.47 are reached.

An interesting comparison in the liabilities to shareholders is seen in the fact that as against a paid-up capital of \$11,560,000, the reserve fund of the Royal Bank is \$12,560,000, or just \$1,000,000 in excess, or, if the profit and loss fund be added to the reserve, the total becomes \$13,575,119.

Call loans reach a total of about \$19,819,600, of which \$10,817,496 was elsewhere than in Canada, the balance of \$9,002,103 being on call in Canada. The current loans, however, amounted to no less than \$98,606,925, and in addition to this was the sum of \$3,686,624 loaned to cities, municipalities and school districts and \$247,435 to provincial governments, making total loans of \$102,716,658.68. Altogether, the assets of the bank now reach the large total of \$180,246,785.73. These assets have been mounting up from year to year in a manner which must give satisfaction both to the management and the shareholders and places the bank in a favorable position to meet the growing commercial requirements of the country.

The Mexican Northern Power Company has announced that it will defer payment of the interest due January 1914.

CANADA'S BANKING INSTITUTIONS

Profits Show That Busy Year Was Experienced—Four Recent Annual Statements

The returns of the four banks given below, together with those of the Royal Bank and Bank of Ottawa, elsewhere in this issue, with the returns of the Bank of Montreal and the Quebec Bank previously published show that Canada's financial institutions have come through an arduous year with excellent results.

The Bank of Toronto's annual statement is one of progress, it shows net profits totalling \$850,694, adding to this balance of \$166,578 brought forward and \$200,000 recovered from debts previously written off there was available \$1,227,272, and this was distributed as follows:—Dividends at the rate of 12 per cent., \$600,000; transferred to officers' pension fund, \$20,000; written off bank premises, \$300,000; and \$307,272 was carried forward to next year.

Deposits amount to \$43,306,595 and notes in circulation are \$5,439,107.

The annual meeting of shareholders will be held on January 14th.

Northern Crown Bank's Year.

At the annual meeting of the shareholders of the Northern Crown Bank, the financial statement presented for the year ending November 29 showed good progress had been made during the year. Net profits, after providing for all expenses and for bad and doubtful debts, amounted to \$281,167.47. The balance carried forward to the credit of the profit and loss account was \$92,276.20.

Assets, \$21,302,105; rest account, \$350,000; deposits, \$14,732,865; capital stock, \$2,811,804. During the year two semi-annual dividends at the rate of 6 per cent. per annum were paid.

Earned Fifteen per Cent.

The report presented to the stockholders of the Union Bank of Canada for the 12 months ending November 30 last showed the institution earned a little more than 15 per cent. on its paid-up capital of \$5,000,000. The net profits were \$750,095, an increase of \$43,263 over 1912, while the assets at the end of November were \$80,766,532, as compared with \$69,408,227 for 1912; rest account, \$3,400,000; deposits, \$64,595,288.

The shareholders, in addition to their regular dividend of 8 per cent., received a bonus of 1 per cent.

New Capital from Shareholders.

The annual statement of the Bank of Hochelaga, shows total profits, after all deductions for expenses of management, bad debts, adjustments, etc., of \$534,700. This compares with \$481,616 a year ago, being an increase of \$53,083 or 11 per cent. as compared with those for the year ending November 30th, 1912.

The subscribed capital of the bank is now \$4,000,000, so that the earnings, if based on this capital—which, however, was not paid up during the entire year—would amount to 13.37 per cent. upon it.

During the year the \$1,000,000 capital stock, issued at \$150, has been subscribed and paid up in full. Deposits on November 30th were \$20,105,622 as compared with \$20,417,146 in 1912. This is a decrease of \$311,524, but it is pointed out that the \$1,500,000 new capital obtained from shareholders during the year must be taken into consideration as the shareholders were nearly all depositors and the greater part of the money put into capital account was therefore withdrawn from deposits.

Other results may be tabulated as follows:—

Cash assets, November 30th	\$2,559,204	Inc.	\$921,930
Note circulation, November 30th ..	3,213,616	"	527,551

The reserve fund was increased \$625,000. This brings the total reserve fund to \$3,625,000.

The railway commission has issued an order reducing express charges for the handling of freight bills of lading and collection of moneys thereunder.

In the prospectus issued in connection with Toronto's loan of £1,200,000 4½ per cent. general consolidated loan debentures at 97½, some interesting information is given. The loan is due on July 1st, 1948. The debentures are for £100 each to bearer. The following details were furnished by the city authorities: Estimated assessment subject to taxation for 1914, \$510,000,000. Value of municipal assets, \$40,293,846. The sinking funds represent approximately \$13,000,000. Gross bonded debt of the city (including present issue), \$61,437,975. Estimated gross revenue for 1913, \$11,744,800.

THE FARMER AND THE BANK—THEIR COMMON INTERESTS AND THEIR RELATIONS.

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