

# FINANCE AND INSURANCE

**A**NOTHER entirely satisfactory report was presented to the shareholders of the Bank of Montreal in annual meeting assembled on December 5. Its principal features included an increase in deposits bearing interest of \$13,265,000, an increase of call loans of \$9,143,000, an increase in current loans of \$6,699,000, and a decrease in the balance due by agencies of the bank and other banks outside Canada of \$4,114,000. The bank's profits for the year ending October 31 were, after deducting charges of management, and making full provision for all bad and doubtful debts, \$1,609,207.95, out of which was paid \$1,400,000 in dividends at the rate of ten per cent. per annum, leaving \$209,207.95, which added to balance of profit and loss account of \$373,988.06, carried forward from the year ending October 31, 1903, gives a balance carried forward for this year of \$583,196.01. In a nutshell, the bank earned ten per cent. on its paid-up capital of fourteen million dollars, and has been able to add two hundred thousand dollars odd to profit and loss account.

**T**HE decision of the Canadian Bank of Commerce to increase its capital stock from \$8,700,000 to \$10,000,000 draws attention to the great increase in the business of that institution and also indirectly to the remarkable position of nearly all the banks of the country. At the present moment the capacity of Canadian banks is being taxed as never before. Their combined capital is barely sufficient to handle the country's business, and the action of the Bank of Commerce in increasing its capital is no doubt but the first step of several that will shortly be taken for the increase of the banks' capacity. It is freely stated that at least two other banks will make a similar move at the end of the year and perhaps others will follow. The two mentioned at present are the Dominion Bank, which is expected to issue \$1,000,000 new stock, bringing its capital up to \$4,000,000, and the Standard Bank, whose capital has hitherto been \$1,000,000.

**T**HE statement of profit and loss and the general statement submitted to the shareholders of the Eastern Townships Bank at the annual meeting is a highly satisfactory one. The net profits for the year amounting to \$306,968, which is equal to nearly 12 1/2 per cent. In addition to this there was the sum of \$22,995 premium paid on new issue of capital stock and \$27,647 balance at credit of profit and loss brought forward from last year, making a total of \$357,611. Out of this, two half-yearly dividends at the rate of 4 per cent., making 8 per cent. per annum, were allotted to shareholders: \$50,000 was transferred to rest account, \$40,000 was applied to the reduction of value of assets, and \$40,000 in reduction of bank premises and furniture. This left a balance of \$30,217 at the credit of profit and loss.

## NOTES.

A branch of the Sovereign Bank was opened at Galt on December 13.

Mr. W. J. Stark is the manager of the new market branch of the Sovereign Bank in Toronto.

Another branch has been opened by the Canadian Bank of Commerce, this time in Claresholm, Alberta. This makes the 112th branch of this large Canadian institution—106 in Canada, 5 in the United States and one in London, England.

The German-American Fire Insurance Co., one of the leading companies in the United States, as a result of the high rates being charged by the English companies in the larger cities of Canada, has decided to invade the Canadian field and will have its head offices in Montreal.

The annual statement of the Bank of Toronto for the year ending November 30, 1904, shows a fine increase in net profits, due, partly at least, to the enlarged capital. The net profits, after making due provision for possible losses, are \$445,425, or nearly 15 per cent. of the capital stock. The rest account has been added to by \$145,570 during the year, and is now \$300,000 in excess of its paid-up capital of \$3,000,000.

The Canadian Manufacturers' Association have appointed the following gentlemen as the permanent committee on insurance for the association: P. H. Burton, W. B. Tindall, P. W. Ellis, W. P. Gunby, Richard A. Donald, J. P. Murray, C. N. Candeo, J. W. Cowan, A. Jephcott; R. M. Bertram, Montreal; C. B. Gordon, C. C. Ballantyne, Col. J. H. Burland, W. A. Candle, F. H. Whutton, Hamilton, Col. W. M. Gartshore, London, Geo. E. Amyot, Quebec; Geo. McAvity, St. John; T. M. Cutler, Halifax.

The Canada Trust Co., Limited, with a capital stock of \$250,000, has received letters patent of incorporation under the Manitoba Joint Stock Companies Act. The objects of the company are to carry on the business of a trust and loan company, to advance money on real estates and other securities and to act as financial agents for individuals and corporations, etc. The head office will be in Winnipeg. The promoters of this company are well known residents of Portage-la-Prairie and Winnipeg, and the provisional directors include the names of H. Armstrong, M.P.P., E. Anderson, J. Cornyn, E. J. O'Sullivan and H. J. Hardy.

To meet the requirements of expanding Canadian business the directors of the Canadian Bank of Commerce passed a resolution at the annual meeting on December 9, providing for the issue of \$1,300,000, the balance of the authorized capital stock of \$10,000,000. The new issue will be allotted to shareholders of record January 12th, 1905, at which date the books will close. The proportion of allotment will be one new share for every 6 69/100 of old stock. The stock, which is in 550 shares, will be issued at 70, that is, 140 in comparison with yesterday's price of the old stock on the Exchange, 164. The new issue will bring in a premium of \$520,000.