

SASKATCHEWAN PLACES LOAN IN NEW YORK

The province of Saskatchewan has arranged a loan in New York of \$2,500,000 for a period of three years by the issue of securities bearing 5 per cent. interest. The net cost to the province will be 5 3/4 per cent.

DOMINION NOTES ISSUE IN EXCESS OF AUTHORIZED AMOUNT

According to an answer given by Finance Minister White in the House at Ottawa in reply to Mr. G. W. Kyte, of Richmond, the Government has issued Dominion notes to the extent of \$26,000,000 since the war broke out in excess of the amount authorized by statute. Of this amount \$10,000,000 was issued without the necessary gold deposit in order to meet obligations of Canada on loans and expenditures as they matured. Ten million dollars was advanced to the Canadian Northern Railway Company on security of the company's four per cent. debenture stock guaranteed by the Dominion under the legislation of last year to an amount of \$12,500,000. Six million dollars was advanced to the Grand Trunk Pacific Company on security of \$7,500,000 of the company's four per cent. bonds guaranteed by the Dominion last year. Both these advances are repayable on May 1st of this year at 5 per cent. interest per annum.

TORONTO MORTGAGE COMPANY

Although comparatively young, as Ontario mortgage companies generally are concerned, the Toronto Mortgage Company, which presented its sixteenth annual report to the shareholders last week, has not failed to obtain a good share of good business, and to place itself in an excellent financial position. The reserve fund, for instance, is \$500,000 and the fully-paid capital stock \$724,550. The reserve, an important account with every company, has increased 100 per cent. since 1899 and is now equal to 69 per cent. of the capital stock. Last year, an addition of \$35,000 was made to the fund to bring it up to an even half million dollars. That was the largest addition made in any one year, and was done after the payment of all expenses and of several special patriotic subscriptions. As the directors pointed out at the annual meeting, a strong reserve fund tends to insure to debenture holders and shareholders the regular payment of interest and dividends.

As a result of operations last year, the gross earnings, including the balance of \$25,287 brought forward from 1913, amounted to \$231,043. The increase of \$11,000 in the earnings was all collected in cash. After deducting from the earnings the cost of management, including subscriptions to patriotic funds, interest on debentures and deposits, and all other charges, amounting, in all, to \$115,319, there remained a net profit of \$115,724, out of which dividends at the rate of 8 per cent. per annum on the capital stock was paid, amounting to \$57,064. This left a surplus of \$57,760, from which there was transferred to the reserve fund, as stated above, the sum of \$35,000, leaving a balance to be carried forward to 1915 of \$22,760.

There was a gain in the company's assets last year of \$100,000. In immediately available liquid assets there was an increase of \$85,000. The chief items among the assets are mortgage loans of \$2,649,297 and bonds and stocks, \$433,558.

Mr. Wellington Francis, K.C., the vice-president, discussing the company's policy, stated that speaking generally, during the last few months of 1914, the board had directed their attention more to renewing maturing mortgage loans, for reduced amounts, after revaluation on terms satisfactory to lender and borrower alike, than to seeking many new loans. This prudent policy will probably be continued in a greater or less degree until the war is over. The effect of this will be to lessen somewhat the company's income for the time being, but the directors have made purchases of municipal debentures of a high class, on most favorable terms, which will, they hope, protect the company against this contingency. The directors were satisfied that this was the safest plan to adopt in these troublous times, and they still pursue the policy of making the principal of the mortgages payable by instalments.

CAPITAL TRUST CORPORATION

The Capital Trust Corporation is in the early days of its career, having made only the second annual report to its shareholders last week. While it has authorized capital of \$2,000,000, \$588,300 has been subscribed, of which \$236,274 has been paid up. On the operations of the company last year the net profit was \$2,231; which, added to the amount brought forward from the previous year, \$2,141, makes the total profit of \$4,372. This, the directors consider, will be satisfactory, considering the business conditions which prevailed during the year.

The assets under capital account are as follows: mortgages and other securities on real estate and interest thereon to December 31st, 1914, \$98,903; municipal debentures and interest thereon to December 31st, 1914, \$114,602; office furniture, stationery, etc., \$4,726; organization expenses, \$2,701; sundry assets, \$4,405; and cash on hand and in bank, \$16,597; total, \$241,336.

Under the guaranteed investment account are the following assets: mortgages on real estate, \$18,897; municipal debentures, \$23,024; and cash on hand and in bank, \$27,154, a total of \$69,076.

The estates, trusts and agency accounts have the following assets: inventoried value of real estate, mortgages, stocks and bonds and debentures, etc., in the hands of the company as executors, trustees, agents, etc., \$217,112; and cash on hand and in banks, \$16,390, a total of \$233,503.

Mr. M. J. O'Brien is president of the company. The following are the other directors and officers: B. G. Connolly, managing director; E. T. B. Pennefather, assistant manager; vice-presidents, Hon. S. N. Parent, Denis Murphy, R. P. Gough, A. E. Corrigan.

ONTARIO LOAN AND DEBENTURE COMPANY

Ninety-five per cent. of the assets of the Ontario Loan and Debenture Company are first mortgages and cash in bank. That, together with the fact that the war is not likely to affect mortgage loan companies in Canada as much as some other classes constitute a good omen for the future of this corporation. For forty-four years, the company has been doing a very satisfactory mortgage loan business. Under the capable management of Mr. A. M. Smart, supported by a substantial directorate, and assisted by sound representation in Great Britain, the Ontario Loan and Debenture Company in that time has built up an excellent business. Testimony to this is found in the fact, for instance, that during the past year, despite the general conditions prevailing, payments were well met, and there is no property, which has been brought to sale and unsold, left on the hands of the company.

The results of operations last year were satisfactory. The net earnings were \$257,787. With the balance of \$45,859 brought forward from the previous year, there was available for distribution a sum of \$303,647. Dividends at the rate of 9 per cent. per annum absorbed \$157,500. To the reserve fund was transferred \$100,000, making that account \$1,650,000. A contribution of \$3,000 was made by the company to the patriotic fund, so that a balance of \$43,147 was carried forward.

Sterling debentures of the company, held in Great Britain, increased during the year. The company's annual meeting was held last week, when a good financial statement was presented.

Canadian banks, taking advantages of the legislation passed during the emergency session of August last, have borrowed from the government \$14,439,767 in advances of Dominion notes, secured by approved collateral. They have repaid already \$7,047,267. Finance minister White told Mr. Kyte, in the House, that the government had not thought it advisable to give information as to the advances made to the several banks. In reaching that decision it followed the precedent established in 1908, when advances were made to the banks through the Bank of Montreal. Moreover, in a letter sent to the banks the finance minister had stated that all applications for advances would be treated as confidential. He had felt that the banks should feel free to avail themselves of the legislation in order to conserve the gold supply and to meet the needs of the public.