

BANKING PROFITS IN CANADA (II.)

It was noted a year ago that the boards of directors had less money to dispose of at the fiscal year end than in 1912. Thus in 1912 the premiums on new stock issues amounted to over \$12,000,000, whereas they were only a little over \$5,000,000 in 1913. Last year there was a further sharp drop in this item. The total, as shown in the statement, is \$1,915,897, or less than two-fifths of the 1913 total. Again, this aggregate of \$1,915,897 for 1914 included the sum of \$900,000 reported by the Bank of Nova Scotia as transfer of the Metropolitan Bank's rest. Really this is not new money so far as the banks as a whole are concerned, but in so far as the Bank of Nova Scotia is concerned it is necessary to treat it as in the statement. Again, there is an item of \$430,965 reported by the Standard Bank of Canada. As the Standard Bank's year ended January 31st, 1914, this item belonged mostly to the preceding year. So it will be seen that outside of these two transactions there was very little forthcoming in 1914 in the form of premiums on new stock issues. The chances are that there will be even less so reported in 1915. The banks are not now increasing the capital account, and recent issues have been mostly taken up in full.

HOW APPROPRIATIONS ARE MADE.

Altogether the boards of directors had \$26,056,883 to dispose of in 1914, as against \$29,597,441 in 1913, and \$35,283,191 in 1912. There has been no decrease in the amount of dividends paid—in fact the total rose about \$750,000. This is largely accounted for by the fact that the Merchants Bank dividends in 1913 covered a period of five months only, and by increases in the amount of capital drawing dividends in the case of several other banks. Also the Sterling and Provinciale both increased their dividend rate 1 per cent. There was a sharp drop in the appropriations for adding to the rests. Last year's amount was \$2,566,136, or about one-third the figures shown in 1913. This item is always greatly influenced by new stock issues, and the falling off in these issues naturally caused a big reduction. It is also to be noted that in case of one bank the rest was drawn upon to provide for depreciation of assets. Premises and furniture accounts received \$1,000,000 less than in 1913; but the total written off for depreciation, etc., shows a heavy increase. Also the aggregate of contributions was very large in 1914—almost double the figures shown in 1913. The increase is largely due to contributions to the Canadian Patriotic and other special funds. The balance carried forward has been strengthened by a few hundred thousand dollars. Altogether the table published to-day is very interesting and it is worth while to study it carefully.

STANDARD BANK OF CANADA.

The Standard Bank of Canada publishes a very satisfactory report for the year ended January 31 last. The net profits for the year totalled \$621,463.94, a gain of \$66,368.39 over those shown last year, equivalent to 9.22 per cent. on the capital and rest. To these profits there has to be added for distribution the balance brought forward from last year of \$52,217.17, together with a premium of \$139,760, resulting from the full balance having been paid of the last issue of new stock, making in all \$813,441.11, and out of which \$380,540.48 (13 per cent.) has been paid in dividends; \$15,000 has been contributed to the officers' pension fund, \$25,000 written off bank premises, \$100,000 set apart for depreciation in the market value of British, Dominion, Provincial and municipal securities, \$100,000 added to the reserve from profits and \$139,760 from premium on new stock, bringing the reserve account up to \$4,000,000, and \$53,140.63 will be carried forward to profit and less account for next year. The reserve account at \$4,000,000 is equal to 133.33 per cent. of the Bank's paid-up capital.

Last year's statement showed a gain in deposits over the previous year of \$3,001,439, while again a further increase is shown this year over those of last year of \$3,017,836, making a total increase for the two years of \$6,019,275, while the cash on hand and on deposit in central gold reserves amounts to \$8,386,360, and the immediately available assets to \$16,016,168.

PRUDENTIAL TRUST COMPANY.

At the annual meeting of the Prudential Trust Company, of Montreal, on Wednesday, net contingent profits for 1914 were reported as \$40,358, a balance of contingent profits being carried forward to contingent reserve of \$47,048. It was explained some large transactions had remained incomplete, owing to the change in the general financial situation, and that these had not been included in the year's business, the general profits for the year consequently showing a falling off. At the end of the year, the Company held bond trusteeship amounting to \$29,380,000. Total assets are \$2,575,648.

The following directors were elected: W. G. Ross, Farquhar Robertson, Sir Geo. Garneau, R. C. Smith, Aemilius Jarvis, Hon. James Mason, J. A. Steedman, W. J. Morrice, W. Grant Morden, P. Galibert, E. P. Pemberton, C. F. Smith, C. A. Barnard, W. J. Green, B. Hal Brown, E. Bristol. At a subsequent meeting of the board the following officers were elected: B. Hal Brown, president and general manager; W. G. Ross, vice-president; F. Robertson, chairman of the board; James Elmsley, secretary; Charles D. Cornell, treasurer; R. Brock Thomson, accountant; Hal. MacD. Brown, assistant secretary.

Those present included Messrs. B. Hal Brown (chairman), Sir George Garneau, E. Hanson, J. P. Steedman, C. A. Barnard, G. E. Amyot (Quebec), A. Taschereau, James Elmsley, J. W. Petrie, James Hutchison, Alex. A. Brossett, R. C. Smith, K.C., A. W. Stevenson, Clarence F. Smith and H. MacD. Brown.

The Bank of England yesterday continued its rate of interest at 5 p.c.