

THE BANK OF OTTAWA.

The annual report and statement presented to the shareholders of the Bank of Ottawa at their annual meeting held on Wednesday are of a gratifying character. As a result of the expansion in business during the year, there is a satisfactory increase in profits, these amounting to \$595,228 against \$532,353 in 1910, a growth of \$62,000. The balance forward from 1910 of \$117,939 makes the total amount available on profit and loss account, \$713,167. Of this amount, the 11 p.c. dividend absorbs \$385,000; \$100,000 is carried to rest, making this account \$4,000,000; \$100,000 is devoted to writing down bank premises and furniture and the customary contribution of \$10,000 is made to the officers' pension fund. This leaves the slightly increased balance forward of \$118,167.

The following table shows the leading items of the bank's balance sheet in comparison with last year:—

	1911.	1910.
Capital Stock..	\$3,500,000	\$3,500,000
Rest..	4,000,000	3,900,000
Circulation..	3,743,395	3,472,460
Deposits not bearing interest..	5,465,864	4,485,760
Deposits bearing interest..	29,398,282	27,932,685
Total liabilities to public..	38,640,307	35,937,166
Specie and legals..	4,223,646	3,665,709
Call Loans in Canada..	1,068,340	1,606,419
Total of Quick Assets..	13,392,957	13,927,383
Current loans in Canada..	31,582,329	28,421,278
Total Assets..	46,458,538	43,654,939

The continued heavy demand for commercial loans has resulted in a rise of upwards of \$3,000,000 in this item during the last twelve months to \$31,582,329. This demand has necessitated a reduction in call loans, those in Canada being down by \$538,000. In the balance sheet of a year ago, also, foreign call loans appeared at \$452,000, but no foreign call loans figure in this year's accounts so that the reduction of call loans during the past twelve months has been altogether about \$1,000,000. Additionally \$280,000 foreign current loans have been withdrawn. Deposits show the satisfactory advance of practically \$2,500,000, while the year's operations are summed up in a \$3,000,000 gain in total assets bringing these up to \$46,458,538, of which \$13,392,957 are quick assets. Altogether, the statement is of a character that is doubtless as pleasing to Mr. George Burn, the well-known general manager and the other officers, of whom Mr. Francis Cole represents the bank in St. James Street, Montreal, as to the directors and shareholders. The expansion of the bank's business has made it necessary to acquire additional premises for head office purposes and the opening of new branches is steadily proceeding. This year the bank's accounts were audited prior to the meeting by a firm of chartered accountants, and the directors state in their report that this action was taken in anticipation of the requirements of the proposed amendments to the Bank Act.

The Standard Bank has raised its dividend rate from 12 to 13 p.c.

IMPORTANT BANK AMALGAMATION.

Eastern Townships Bank Directors Decide to Join Forces with Canadian Bank of Commerce—Capital of Consolidated Bank, \$15,000,000; Reserve, \$12,400,000; Deposits, \$165,500,000; Total Assets, \$211,000,000.

The largest merger in the history of Canadian banking was practically completed yesterday when the announcement was made that the directors of the Eastern Townships Bank, at a meeting held in Montreal, approved of an agreement to join forces with the Canadian Bank of Commerce. The agreement is subject to ratification by shareholders.

The consolidation produces a bank with the following figures:—

Capital..	\$15,000,000
Rest..	12,400,000
Deposits..	165,475,000
Liabilities to the public..	183,375,000
Total Assets..	211,000,000
Number of branches..	332

THE DETAILS ARRANGED.

The financial basis of the deal is an even exchange of shares—the giving of two \$50 shares in the Canadian Bank of Commerce for each \$100 share in the Eastern Townships Bank. For this purpose, the Canadian Bank of Commerce will issue \$3,000,000 of new stock, making the bank's authorised capital of \$15,000,000 fully paid up.

It is understood that the present board of directors of the Eastern Townships Bank is to remain as an advisory board of the united bank, and a certain number are to be elected as full directors of the Canadian Bank of Commerce, as representing the present Eastern Townships shareholders. Sir Edmund Walker, the present president of the Bank of Commerce, will be the president of the united bank, and the headquarters will be in Toronto. The full staff of the Eastern Townships Bank will be taken over, and all the offices will be maintained. The officers will also enjoy the privileges of the pension fund of the Bank of Commerce.

In the Eastern Townships district the name of the bank will appear as the "Canadian Bank of Commerce with which is amalgamated the Eastern Townships Bank." This is similar to the English banking custom under the same circumstances. In Montreal and in other parts of Canada, the bank will be known simply as the "Canadian Bank of Commerce."

LITTLE OVERLAPPING IN TERRITORY.

One of the advantages of the deal is that there is little overlapping, of the banks in their respective territories, except at Montreal and at several western points. By the amalgamation, the Canadian Bank of Commerce will get the numerous and well established branches of the Eastern Townships Bank in the Province of Quebec, rounding off and completing a system that will cover the entire Dominion of Canada with a total, as before stated, of 332 branches. The bank will have branches in every province of