

THE YORKSHIRE INSURANCE COMPANY.

Fortunately unaffected by San Francisco losses, the Yorkshire Insurance Company occupies an enviable position among British fire offices. Although for the first fourscore years of its history the Yorkshire's growth was not marked, it laid the foundations for the greater expansion of the past three or four years. Appropriation for "purchase of business" was made as follows during the past three years: \$70,000 in 1904, \$146,775 in 1905, and \$79,335 in 1906—nearly \$300,000. Now that the three years' term assigned for such expansion is completed, and the businesses of the Lion and the National of Ireland have been assimilated and paid for, the company's funds should rapidly increase—so that the prospects for the future are bright.

Fire business during 1906 brought a net premium income of \$1,170,220 as against \$1,141,335 in the 1905 account. The losses were \$621,030, a ratio of 53 p.c. as against 50.5 p.c. for the preceding year. From the balance at credit of the fire account a sum of \$125,000 has been carried to profit and loss, leaving \$58,015 which with \$21,320 taken from the general reserve fund made up the \$79,335 carried to "purchase of business" account for the year. Fire funds at the close of the year consisted of \$500,000 reserve for unexpired liabilities, and a special reserve fund of \$935,005, making a total of \$1,435,005.

The Yorkshire commenced writing business in Canada last January under the management of Mr. P. M. Wickham, with a strong agency organization throughout the Dominion, and has already created a favorable impression in this country.

MERCHANTS BANK OF CANADA.

From the preliminary statement issued this week by the Merchants Bank of Canada, it is evident that the year ending May 31st has been one of solid progress. The earnings for the year—after payment of charges, rebate on discounts, interests on deposits, and making full provision for bad or doubtful debts—amounted to \$961,600. Adding to the year's net profits the balance of \$74,596 brought forward from 1905, there is obtained a total of \$1,036,256. From this the sum of \$400,000 has been added to Reserve bringing that fund up to \$4,000,000—60 2-3 p.c. of the paid-up capital. After making this addition to reserves and providing for dividends, writing off bank premises account, and making contribution to officers' pension fund, there is a balance left to be carried forward amounting to \$34,256.

Deposits during the year increased to \$37,616,546, an advance of \$2,109,587—an indication of the public's well-justified confidence in the bank. Current loans and discounts show an increase for the year of \$4,481,288, having reached a total of \$30,337,977. Against the liabilities to the public amounting to \$42,831,431 it will be noted that there are immediately available assets of no less than \$19,801,400 or over 46 p.c.—altogether a very strong showing. All in all, the statement published shows that the Merchants Bank of Canada is steadily expanding its business year by year, without in any way departing from its long record of strength and conservative banking methods.

The year just closed is the second under Mr. E. F. Hebden's general managership, and the results are indicative of able supervision over the bank's affairs.

MONTREAL LIGHT, HEAT & POWER.

As mentioned briefly in THE CHRONICLE of last week the sixth annual report of the Montreal Light, Heat & Power Company, covering the year ended April 30, 1907, shows gross earnings for the twelve months amounting to \$3,453,490. Net profits, after providing for fixed charges, interest, etc., were \$1,440,582. The gross increase for the year was, therefore, \$267,387, while the net advance was \$162,095. Four quarterly dividends of 1 1-4 p.c. were declared out of the net profits, each amounting to \$850,000, and there then remained a balance of \$590,582. Adding to the year's surplus the \$901,158 brought forward from the preceding year gave a total of \$1,491,740, out of which there were made appropriations amounting to \$386,892 for depreciations, renewals, insurance fund, contingent account and suspense account, leaving a balance to carry forward of \$1,104,848.

The general balance sheet of April 30, stood as follows:

ASSETS.

Stocks, Bonds and Interests in	
other Corporations.....	\$23,760,418.22
New Construction.....	3,383,286.04
	<u>\$27,143,704.26</u>

CURRENT ASSETS.

Bonds in Treasury.....	\$ 459,000.00
Accounts Collectible.....	578,239.35
Stores, Gas Stoves, etc.....	197,097.40
Coal, Coke, Tar, etc.....	49,568.53
Cash on hand.....	30,703.98
	<u>1,314,549.26</u>
	<u>\$28,458,253.52</u>

LIABILITIES.

Capital Stock.....	\$17,000,000.00
Bonds—	
1st Mortgage 4 1/2%	
Bonds	\$7,500,000.00
Loss—	
In Escrow 976,000.00	
Unissued 1,048,000.00	2,624,000.00
	<u>5,476,000.00</u>
Machine Sinking	
Fund 5% Bonds	4,000,000.00
Loss—	
In Escrow 495,000.00	
Redeemed and	
cancelled	104,000.00
	<u>590,000.00</u>
	<u>3,401,000.00</u>
Subsidiary Companies' Sinking Funds..	90,103.84
General Suspense Account.....	76,337.99
Insurance Account	225,000.00
Contingent Account.....	200,000.00
	<u>\$26,468,441.83</u>

CURRENT LIABILITIES.

Accounts Payable.....	\$ 329,458.55
Customers' Deposits.....	40,670.20
Accrued Interest on Bonds.....	112,031.25
Accrued Tax on Earnings.....	16,036.89
Bank Loans.....	166,012.58
Dividends Unclaimed.....	8,234.29
Dividend Payable May 15th, 1907..	212,500.00
	<u>884,963.86</u>
	<u>1,104,847.83</u>
	<u>\$28,458,253.52</u>

SURPLUS ACCOUNT.....

Certified Correct,
H. R. LYONS,
Accountant.

Verified,
P. S. ROSS & SONS,
Chartered Accountants.