

the profits before making appropriations for premises was not in vogue a year ago. Taking the premises appropriations for the year ending April, 1911, to be \$700,000, the actual profits for that year would be \$2,529,173, or \$154,000 less than the profits for the year now ended.

The Imperial Bank's profits for the year just ended were \$1,004,340, against \$841,692 in the preceding year. This bank increased its resources by \$10,000,000 during its fiscal year. So, even if the new resources were employed at the same ratio of profit as in the year preceding, a considerable increase in amount of net earnings would be forthcoming. But there is an increase in all the ratios. Thus ratio of earnings to average total assets rose from 1.40 p.c. to 1.42 p.c.; ratio of earnings on average capital rose from 15.14 per cent. to 16.92 per cent.; and ratio of earnings to average capital and rest rose from 7.57 to 8.46 per cent. The large increase in ratio of earnings to the stockholder's funds probably results chiefly from the increase in deposits; and the small rise in ratio of earnings to total resources, no doubt, indicates that general rates of discount throughout the country are firmly maintained.

The Standard Bank also effected a large proportionate gain in total resources—the increase of liabilities being nearly \$4,000,000. This accretion of funds would naturally, under the conditions prevailing in the Canadian money market, enhance the earning power of the bank. The profits recently published were \$381,601, against \$373,208 in the preceding year. However, the ratios shown here do not compare as favorably with 1911 as do those of the Imperial. Thus the earnings are 1.08 per cent. of average total resources, as against 1.16 per cent. in 1911; they are 8.30 per cent. of average capital and rest, as against 8.48 per cent. in 1911. The ratio of earnings on capital shows an increase—19.08 per cent. in 1912, and 18.66 per cent. in 1911.

La Banque Nationale, too, increased its resources nearly \$4,000,000 during the year. Its profits are \$293,564 in 1912 against \$262,513 in 1911. In the case of this bank the ratio of earnings to capital and to capital and rest rose, while the ratio of earnings to total resources declined. Thus earnings to capital: 1912, 14.68 per cent.; 1911, 13.13 per cent.; earnings to capital and rest: 1912, 8.89 per cent.; 1911, 8.20 per cent.; earnings to total resources: 1912, 1.45; 1911, 1.53.

The Sterling Bank of Canada increased its resources by \$700,000 in the year. Its profits in 1912 were \$107,876 as against \$96,826 in 1911. Earnings to capital, 11.17 p.c. in 1912, and 10.30 per cent. in 1911; earnings to capital and rest, 8.65 per cent., 1912 and 7.93 per cent. 1911; earnings to total assets, 1.47 per cent. 1912 and 1.34 per cent. 1911.

Viewing these results comprehensively it would appear that discount rates are firmly maintained, and, as many of the banks are making large gains in deposits, they should be making good profits. One would expect the results to be well above the results published last year. On the other hand the year is young, and general conditions may change for the worse. In the meantime every bank that has reported has declared larger profits than in 1911.

PHOENIX ASSURANCE COMPANY, LIMITED. OF LONDON.

Established in 1782 and the first British fire office to enter the Canadian field (in 1804), the Phoenix Assurance Company, of London, is one of those great British offices to whom increasing years bring increasing power and wider activities. For many years a fire office, pure and simple, the Phoenix of London has since developed, in part by a judicious process of absorption of other offices, into an immense omnibus organisation. The latest absorption of this kind took place only last year. By taking over the Union Marine of Liverpool, the Phoenix of London has at one stroke placed itself in an important position in regard to the business of marine insurance. But the management of the Phoenix has never been prone to the sacrifice of solidity in the interests of size. The balance sheet which has been lately presented, is convincing evidence in that connection, and the position therein disclosed is one upon which every member of the Phoenix staff from Sir Gerald H. Ryan, the well-known general manager, downwards may be cordially congratulated.

In its fire department last year, the Phoenix shared what appears to have been the common lot of the British fire offices, that is to say, its experience was somewhat less favorable than that of 1910. Of premiums amounting to \$6,992,280, losses absorbed \$3,845,655 or a proportion of 55 p.c. as compared with 49.7 per cent. in 1910—a ratio perhaps abnormally favorable. Expenses reached \$2,691,555 or 38.5 per cent. of the premiums against 38.3 per cent. last year. While the experience both as regards losses and expenses was thus not so fortunate as in 1910, still the result of the year's business was the substantial profit of \$495,070 which with \$288,465 interest receipts, makes a total of \$743,535 transferred from the fire department to profit and loss account. As a matter of fact, and in line with the careful policy which always guides this company, more than this is replaced in the fire account by the transfer back of \$875,000 as an addition to the fire insurance fund, making that fund \$5,500,000. It will be readily seen that this is a strong position for any company to occupy.

In the life department, business has continued upon an extensive scale. New policies (net) aggregating \$6,160,345 and producing a new premium income (net) of \$272,245 were issued. Claims amounting to \$2,254,360 by death and \$590,725 by the maturity of endowment policies were within the expectation. With a total income of \$5,987,475 and outgoing of \$4,371,360, the result of the year's operations in the life department is an increase in the funds of \$1,616,115 to \$51,814,930.

The closing of the year also marked the closing of a quinquennial for a section of the policyholders now