

the banks. As they are all directly interested in maintaining the integrity of each bank, they are entitled to take what measures they deem necessary for their own protection in this regard. As the depositors who agree to leave their money for 4, 8 and 12 months would be under no promise to leave them permanently, it is regarded as certain that there would be extensive withdrawals at the end of each term, and it is known that some of the credit balances have been hypothecated. To extend loans based on deposits which would be so liable to wholesale withdrawals would not be prudent, yet, if not done, the business would be very limited. In estimating the cost of liquidation, the Directors overlooked the certainty of probably 50 per cent. of the assets being realized in a few months, and after six months there would, in all likelihood, not be more than one-third left for collection, so that the expenses could not possibly affect the depositors at all, but would be paid out of the balance of the shareholders' capital of \$400,000 which is left intact.

THE LONDON AND CANADIAN LOAN & AGENCY COMPANY.

The 22nd annual report of the above Company, presented to the shareholders on 9th inst., shows the condition of the money market both here and in Scotland, from which country most of its funds are derived. The amount of new loans effected last year, ending 31st August, 1895, was \$266,282, upon properties valued by the Company's assessors at \$546,870. During the year the amount of debentures and certificates paid off was \$606,908, to provide for which new securities were issued for \$703,673, of which \$402,303 was in debenture stock, all of which was taken up in Edinburgh. The Company has now \$446,443 out in debenture stock, and \$3,097,369 in debentures and certificates payable at fixed dates. In the renewal of these there is found no difficulty, and which the management prefers to operate with rather than deposits, which it does not receive, a feature in which this Company differs from most others doing a mortgage loan business. The loans on mortgages amount to \$3,768,415, out of a gross amount of capital, reserve fund, debentures of \$4,653,814. The difference is very large owing to the difficulty of securing "good loans at remunerative rates." As the Company very wisely prefers to restrict its business rather than take doubtful loans, it has a large amount of its funds invested in municipal debentures, \$502,043, and in call loans on first class securities for \$278,086. This policy naturally reduces the earning powers of the Company, but the stockholders and debenture holders doubtless approve of so conservative a course being adopted. Owing to the depreciation of values in the properties covered by mortgages held by the Company, which all these companies are experiencing, the Board has decided to divide the Reserve Fund into two parts, \$210,000 it has invested especially in municipal debentures, and \$200,000 is left to balance of reserve fund account to meet contingencies. This placing of part of a Reserve Fund in securities is a new departure here, but has been adopted by several banks in Great Britain. Although the conditions of

business have not been favorable, the Company paid 8 per cent. last year, and was able to carry \$4,524 to profit and loss. The Board is a very strong one, as is indicated by such names as Sir Donald A. Smith, Sir Casimir S. Gzowski, Messrs. Donald Mackay and G. R. R. Cockburn, M.P. Mr. J. F. Kirk, the manager, was brought up in the Company's service, under the late manager Mr. Macdonald, and has fully justified his appointment by keeping up the reputation of the Company for doing business on sound principles.

FIRE LOSSES IN CANADA FOR SEPT. 1895.

DATE. 1895	LOCATION.	RISK.	TOTAL Loss.	INSURANCE Loss.
Sep. 1	Watford	Flour Mill	\$12,000	\$3,000
" 2	Longueuil West. .	Dwelling.	3,500	2,000
" 1	Hamilton	Fertilizer Works	1,200	1,000
" 1	Halifax, N.S.	Sugar Refinery..	14,400	8,000
" 4	Port Dalhousie....	W'n'se & St'mer	45,100	nil
" 5	Gravenhurst	Lumber	14,000	10,000
" 5	Bosanquet Tp.	Residence	2,000	1,200
" 5	Ilderton	Barns	3,300	1,800
" 4	Fraserville	do	3,500	2,900
" 4	Granby	Creamery.	1,500	1,500
" 9	Liverpool, N.S.	Conflagration ..	100,000	52,800
" 9	Quebec	Dwelling	1,000	1,000
" 9	Erin	Stores	10,000	6,900
" 10	Frankford	Stores & Dwell'g	10,000	5,800
" 12	Montreal	Wall-paper F'ty.	9,000	9,000
" 10	Maddington Falls..	Saw Mills	4,000	nil
" 11	Lyn	Barns	2,000	1,300
" 12	London	Exb. Buildings..	6,000	3,300
" 12	Dundalk	Grist Mill	2,500	1,100
" 13	Quebec	Stores	2,400	1,400
" 13	Tp. Chinguaconsy..	Barns	3,000	2,000
" 13	Harrison	Stores	2,500	2,100
" 14	Quebec	Stables	4,000	2,300
" 14	Toronto	Storehouse.	2,500	nil
" 14	Grande Ligue	Boat House and Steam Yacht	8,000	nil
" 15	Sherbrooke	Pulp Mill	10,000	3,200
" 16	Norwich	Stores	4,000	3,000
" 17	Port Hope	Residence	2,900	2,000
" 14	Longue Pointe....	Farm Buildings..	1,200	nil
" 17	Ottawa	Planing Mill....	15,000	9,100
" 17	Tp. Escott	Barns	2,000	nil
" 13	Carberry, Man.	Granary	3,200	1,700
" 17	Quebec	Tannery	12,000	7,900
" 11	Tp. Yonge	Barns	1,500	1,300
" 15	Bobcaygeon	Steamer	13,000	9,000
" 17	Chinguaconsy Tp.	Barns	3,000	2,700
" 18	Quebec	Store and Print- ing Office	3,800	3,800
" 18	Thornbury	Oatmeal Mill....	2,000	2,000
" 18	Thamesville	Barn	1,000	1,000
" 21	St. Catharines....	Opera House	10,000	5,300
" 20	Montreal	Sash Factory	5,400	5,400
" 23	Orillia	Dwelling	3,000	nil
" 23	Mitchell	Lumber	5,000	4,000
" 23	Lindsay	Shingle Mill....	5,200	4,500
" 20	Ingersoll	Dwelling	2,100	2,100
" 22	Tp. Anderson	do	1,500	1,000
" 25	Orillia	Farm Dwelling..	2,000	1,500
" 27	Barrie	Dwelling	1,800	1,000
" 27	Ingersoll	Flour Mill	22,000	1,700
" 26	St. Thomas	Saw Mill	5,800	nil
" 26	Guelph	Barn	1,600	1,000
" 26	Vanessa	Cheese Factory..	2,300	1,800
" 11	Colpo Bay	Saw Mill	3,000	2,800
" 28	Brampton	Dwelling	2,000	1,500
" 27	Odessa	Barns	2,000	1,000
" 27	Howick	Dwelling	2,000	nil
" 28	Comber	Stores and Hotel	18,000	10,000
" 29	Soliette	Tannery and Dwelling	15,000	4,500
" 28	North Bay	Saw Mill	4,000	3,800
" 19	Grande Rivière ..	Store	1,800	1,800
Totals			\$456,900	\$222,500
Add 20 per cent. for unreported losses and losses under \$1000			91,380	44,500
			\$548,280	\$267,000