

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881.

PUBLISHED EVERY FRIDAY.

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Proprietor.

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10 ST. JOHN STREET, MONTREAL.

Annual Subscription, \$3.00. Single Copy, 10 cents.

MONTREAL, FRIDAY, JANUARY 26, 1916

THE BANK OF NOVA SCOTIA.

A year ago, the Bank of Nova Scotia reported for the first time assets in excess of \$100,000,000. The statement for 1916 indicates not only a further substantial enlargement of business, the Bank taking an important share in the financing of British war requirements, which it was able to do through a substantial increase in deposits, but also a continued enhancement in liquidity above the very fine positions previously disclosed. In comparison with ratios of liquid assets to liabilities to the public of 64.3 per cent. in 1914 and 70.6 per cent. in 1915, there is now indicated a ratio as at December 30th last of 74.3 per cent. The position is a remarkably fine one and shows that under Mr. H. A. Richardson's management, the Bank of Nova Scotia is fully prepared against the development of unfavorable circumstances and possibilities of unsettlement and financial stress.

AN ALL-ROUND DEVELOPMENT.

Following are the leading items of the Bank's annual statement in comparison with those of the previous year:—

	1916	1915
Paid-up Capital.....	\$6,500,000	\$6,500,000
Rest.....	12,000,000	12,000,000
Profit and Loss Balance.....	584,654	396,115
Circulation.....	7,945,081	7,154,415
Deposits not bearing interest.....	21,278,802	18,164,057
Deposits bearing interest.....	66,546,078	58,644,110
Total liabilities to public.....	96,748,785	84,984,376
Specie and Legals.....	17,526,258	17,294,062
Central Gold Reserve.....	2,000,000	1,750,000
Bank Balances Abroad.....	6,842,435	4,973,547
Call and demand Loans in Canada.....	12,313,309	13,154,311
Call and demand Loans Abroad.....	7,791,174	7,731,849
Securities held.....	18,446,892	9,571,996
Total of Quick Assets.....	71,926,080	59,990,461
Current Loans in Canada.....	35,094,181	34,376,929
Current Loans Abroad.....	5,909,211	6,305,446
Total Assets.....	116,621,727	104,244,468

It will be seen from these figures that the year 1916 was characterised by all-round development. The gain in deposits approximated eleven millions, non-interest-bearing deposits growing from \$18,164,057 to \$21,278,802 and interest-bearing from \$58,644,110 to \$66,546,078. Circulation is up by \$800,000 to \$7,945,081, the total liabilities to the public being increased from \$84,984,376 to \$96,748,785.

Holdings of specie and legals have been slightly increased in comparison with 1915, and a \$250,000 addition has been made to the deposit in the Central Gold Reserve, bringing it up to \$2,000,000. Bank balances abroad show a substantial increase from \$4,973,547 to \$6,842,435. Call and demand loans have declined slightly from \$13,154,311 to \$12,313,309, but this decrease is compensated for by a corresponding growth in current loans from \$34,376,929 to \$35,094,181. The latter doubtless represents loans to customers actively engaged in the manufacture of munitions and army supplies. Securities held at \$18,446,892 have been practically doubled during 1916, the main increase being under the heading of British, foreign and colonial public securities, which, increased from \$3,447,537 to \$10,569,067, are some measure of the substantial aid given by the Bank to the British Government, through the extension of credits for munitions. Quick assets at \$71,926,080 are \$12,000,000 higher than in 1915, and, as already noted, in the very fine proportion of 74.3 per cent. to liabilities to the public. Total assets at \$116,621,727 compare with \$104,244,468 a year ago.

PROFIT AND LOSS ACCOUNT.

Net profits for the year were \$1,252,039, showing the moderate increase of \$31,982 over those of 1915 which were \$1,220,007, and equal to 6.8 per cent. on the paid-up capital and rest, against 6.6 per cent. in 1915. Including the balance of \$396,115 brought forward, the amount available on profit and loss account was \$1,648,154. Of this amount, the 14 per cent. dividend absorbed \$910,000; and the war tax on the Bank's circulation, \$65,000. The usual contribution of \$50,000 to the Officers' Pension Fund is made, and \$38,500 given to philanthropic and patriotic funds, the largely increased balance of \$584,654 being carried forward.

Mr. W. P. Hunt continues as the manager of this Bank at its important St. James Street, Montreal, branch.

THE BANK OF HAMILTON.

Profits of the Bank of Hamilton for the year ended November 30 last, are reported as \$442,526, compared with \$424,274 in 1915, an increase of \$18,252, and equivalent to 7.0 per cent. upon the paid-up capital and reserve. The usual dividend, at the rate of 12 per cent. per annum, absorbs \$360,000, war tax on note circulation, \$30,000, and \$18,791 is allocated to the pension fund, the carry-forward being increased to \$209,557.

The Bank's deposits are shown in the balance sheet as \$45,398,174, an increase of over seven millions during the year. Circulation gained about \$900,000 to \$4,409,351, excess circulation being covered by a deposit of \$1,500,000 in the Central Gold Reserve. Canadian call loans increased \$1,627,784 to \$3,844,635 and Canadian current loans by \$3,876,836 to \$31,995,962. This marked increase in current loans is doubtless due to advances made to customers engaged in munitions contracts, the Bank having a strong hold in a territory where manufacturers have been exceedingly busy with munitions and army supplies. Total assets are \$57,163,344, a growth of nearly nine millions in comparison with 1915. Of these, \$22,004,366 are quick assets, a proportion to liabilities to the public, which are \$50,563,191, of 43.5 per cent.