

JANUARY 1, 1942

*To the Stockholders of the  
Federal Reserve Bank of San Francisco.*

DEAR SIRs:

There is presented herewith a condensed comparative statement of condition of the Federal Reserve Bank of San Francisco, including its branches, at the close of business December 31, 1941 and December 31, 1940, together with a comparison of earnings and expenses for 1941 and 1940.

Reconcilement of the capital and surplus accounts of the bank for 1941 is also shown.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Anna Day". The signature is fluid and elegant, with a long, sweeping tail on the final letter.

President.

## COMPARATIVE STATEMENT OF CONDITION

<b>ASSETS</b>	<b>Dec. 31, 1941</b>	<b>Dec. 31, 1940</b>
Gold certificates on hand and due from United States Treasury - - - -	\$1,547,778,446.52	\$1,135,193,217.07
Redemption fund—Federal Reserve notes - - - - -	1,292,855.97	1,387,871.46
Other cash - - - - -	26,532,530.74	31,885,602.22
<b>Total reserves</b> - - - - -	1,575,603,833.23	1,168,466,690.75
<b>Bills discounted:</b>		
Secured by United States Government obligations, direct and guaranteed -	—0—	—0—
Other bills discounted - - - - -	—0—	69,131.00
<b>Total bills discounted</b> - - - - -	—0—	69,131.00
<b>Industrial advances</b> - - - - -	123,641.01	545,372.06
<b>United States Government securities, direct and guaranteed:</b>		
Bonds - - - - -	125,770,000.00	107,406,500.00
Notes - - - - -	66,650,000.00	75,209,000.00
Bills - - - - -	889,000.00	—0—
<b>Total United States Government securities, direct and guaranteed</b> - -	193,309,000.00	182,615,500.00
<b>Total bills and securities</b> - - - - -	193,432,641.01	183,230,003.06
Due from foreign banks - - - - -	3,550.40	3,409.59
Federal Reserve notes of other banks - - - - -	3,396,265.00	3,863,520.00
Uncollected items - - - - -	66,962,705.87	45,637,395.67
Bank premises - - - - -	2,766,176.30	2,848,691.56
Other assets - - - - -	4,083,581.15	4,249,267.66
<b>Total assets</b> - - - - -	1,846,248,752.96	1,408,298,978.29
<b>LIABILITIES</b>		
Federal Reserve notes in actual circulation - - - - -	699,739,135.00	492,512,380.00
<b>Deposits:</b>		
Member bank—reserve account - - - - -	930,407,793.80	754,095,437.41
United States Treasurer—general account - - - - -	45,966,863.08	16,583,415.36
Foreign - - - - -	58,080,877.25	56,589,520.73
Other deposits - - - - -	30,693,412.98	24,458,946.81
<b>Total deposits</b> - - - - -	1,065,148,947.11	851,727,320.31
Deferred availability items - - - - -	53,614,361.57	36,530,973.64
Other liabilities - - - - -	5,919.35	3,403.53
<b>Total liabilities</b> - - - - -	1,818,508,363.03	1,380,774,077.48
<b>CAPITAL ACCOUNTS</b>		
Capital paid in - - - - -	11,827,200.00	11,619,450.00
Surplus (Section 7) - - - - -	10,792,297.98	10,784,558.86
Surplus (Section 13b) - - - - -	2,120,891.95	2,120,891.95
Other capital accounts - - - - -	3,000,000.00	3,000,000.00
<b>Total liabilities and capital accounts</b> - - - - -	1,846,248,752.96	1,408,298,978.29
Commitments to make industrial advances - - - - -	3,063,124.04	2,441,073.81

EARNINGS AND EXPENSES

CURRENT EARNINGS	1941	1940
Discounted bills - - - - -	\$ 540.82	\$ 2,272.70
United States Government securities - - - - -	3,323,975.97	3,495,198.84
Industrial advances - - - - -	13,242.25	33,353.07
Commitments to make industrial advances - - - - -	45,699.42	55,417.31
All other - - - - -	41,728.38	51,632.39
Total current earnings - - - - -	3,425,186.84	3,637,874.31
 <b>CURRENT EXPENSES</b>		
Total operating expenses (including normal depreciation on bank premises) - -	3,160,840.97	2,601,187.17
Less Reimbursements for certain fiscal agency and other expenses - - - - -	721,853.42	367,342.49
Net operating expenses - - - - -	2,438,987.55	2,233,844.68
Assessment for expenses of Board of Governors - - - - -	139,884.76	127,155.83
Federal Reserve currency:		
Original cost - - - - -	215,804.85	116,793.54
Cost of redemption - - - - -	18,561.73	14,765.45
Total current expenses - - - - -	2,813,238.89	2,492,559.50
 <b>PROFIT AND LOSS</b>		
Current earnings - - - - -	3,425,186.84	3,637,874.31
Current expenses - - - - -	2,813,238.89	2,492,559.50
Current net earnings - - - - -	611,947.95	1,145,314.81
Additions to current net earnings:		
Profits on sales of United States Government securities - - - - -	111,515.24	985,473.31
All other - - - - -	4,790.01	137,232.75
Total additions to current net earnings - - - - -	116,305.25	1,122,706.06
Deductions from current net earnings:		
Reserves for losses - - - - -	13,284.23	30,966.08
All other - - - - -	3,466.25	4,803.22
Total deductions from current net earnings - - - - -	16,750.48	35,769.30
Net additions to current net earnings - - - - -	99,554.77	1,086,936.76
Net earnings - - - - -	711,502.72	2,232,251.57
Dividends paid - - - - -	703,763.60	671,781.98
Transferred to Surplus (Section 7) - - - - -	7,739.12	1,560,469.59
Transferred to Surplus (Section 13b) - - - - -	—0—	—0—

RECONCILEMENT OF CAPITAL AND SURPLUS ACCOUNTS**CAPITAL PAID IN** (Which is 50% of amount subscribed)

Balance December 31, 1940 - - - - -	\$11,619,450.00
Issued during 1941 - - - - -	230,350.00
	11,849,800.00
Canceled during 1941 - - - - -	22,600.00
Balance December 31, 1941 - - - - -	11,827,200.00

**SURPLUS ACCOUNT** (Section 7)

Balance December 31, 1940 - - - - -	10,784,558.86
Net earnings, after dividends, transferred in 1941 - - - - -	7,739.12
Balance December 31, 1941 - - - - -	10,792,297.98

# DIRECTORS AND OFFICERS

December 31, 1941

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CARROLL F. BYRD, Willows, California  
C. K. McINTOSH, San Francisco, California  
WILLIAM G. VOLKMANN, San Francisco, California  
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