

JANUARY 1, 1945

*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 branches, at the close of business December 31, 1944 and December 31, 1943, together with a comparison of earnings and expenses for 1944 and 1943.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Anna Day", with a long, sweeping flourish extending to the right.

President.

## COMPARATIVE STATEMENT OF CONDITION

| <b>ASSETS</b>   | <b>Dec. 31, 1944</b>    | <b>Dec. 31, 1943</b>    |
|---|-------------------------|-------------------------|
| Gold certificates on hand and due from United States Treasury - - - -       | \$2,388,208,150.44      | \$2,301,100,953.89      |
| Redemption fund—Federal Reserve notes - - - - -                             | 69,203,531.24           | 20,405,571.24           |
| Other cash - - - - -  | 21,994,197.38           | 39,922,413.15           |
| <b>Total reserves</b> - - - - -   | <u>2,479,405,879.06</u> | <u>2,361,428,938.28</u> |
| <b>Bills discounted:</b>  |                         |                         |
| Secured by United States Government obligations, direct and guaranteed -    | —0—                     | —0—                     |
| Other bills discounted - - - - -  | —0—                     | —0—                     |
| <b>Total bills discounted</b> - - - - -                                     | —0—                     | —0—                     |
| <b>Industrial advances</b> - - - - -  | 487,500.00              | 4,550,000.00            |
| <b>United States Government securities, direct and guaranteed:</b>          |                         |                         |
| Bills - - - - -   | 1,302,796,000.00        | 597,892,000.00          |
| Certificates - - - - -  | 475,362,000.00          | 294,454,000.00          |
| Notes - - - - -   | 152,553,000.00          | 80,902,000.00           |
| Bonds - - - - -   | 120,958,000.00          | 194,465,000.00          |
| <b>Total United States Government securities, direct and guaranteed</b> - - | <u>2,051,669,000.00</u> | <u>1,167,713,000.00</u> |
| <b>Total bills and securities</b> - - - - -                                 | 2,052,156,500.00        | 1,172,263,000.00        |
| Due from foreign banks - - - - -  | 10,579.54               | 10,322.55               |
| Federal Reserve notes of other banks - - - - -                              | 20,533,225.00           | 16,749,575.00           |
| Uncollected items - - - - -   | 232,441,435.72          | 214,877,565.84          |
| Bank premises - - - - -   | 1,937,701.20            | 2,022,502.50            |
| Other assets - - - - -  | 6,044,656.33            | 7,265,668.67            |
| <b>Total assets</b> - - - - -   | <u>4,792,529,976.85</u> | <u>3,774,617,572.84</u> |
| <b>LIABILITIES</b>  |                         |                         |
| Federal Reserve notes in actual circulation - - - - -                       | 2,699,477,350.00        | 1,937,358,985.00        |
| <b>Deposits:</b>  |                         |                         |
| Member bank—reserve accounts - - - - -                                      | 1,705,543,110.74        | 1,461,805,233.02        |
| United States Treasurer—general account - - - - -                           | 28,481,975.91           | 41,240,404.06           |
| Foreign - - - - -   | 90,315,754.88           | 96,249,877.16           |
| Other deposits - - - - -  | 57,529,564.74           | 45,327,918.92           |
| <b>Total deposits</b> - - - - -   | <u>1,881,870,406.27</u> | <u>1,644,623,433.16</u> |
| Deferred availability items - - - - -                                       | 173,142,772.15          | 160,470,537.38          |
| Other liabilities - - - - -   | 702,442.53              | 404,176.20              |
| <b>Total liabilities</b> - - - - -  | <u>4,755,192,970.95</u> | <u>3,742,857,131.74</u> |
| <b>CAPITAL ACCOUNTS</b>   |                         |                         |
| Capital paid in - - - - -   | 13,545,550.00           | 12,472,950.00           |
| Surplus (Section 7) - - - - -   | 15,899,282.22           | 14,158,474.61           |
| Surplus (Section 13b) - - - - -   | 2,142,173.68            | 2,129,016.49            |
| Other capital accounts - - - - -  | 5,750,000.00            | 3,000,000.00            |
| <b>Total liabilities and capital accounts</b> - - - - -                     | <u>4,792,529,976.85</u> | <u>3,774,617,572.84</u> |
| Commitments to make industrial advances - - - - -                           | 596,204.53              | 2,523,619.09            |

EARNINGS AND EXPENSES

| <b>CURRENT EARNINGS</b>   | <b>1944</b>   | <b>1943</b>   |
|---|---------------|---------------|
| Discounted bills - - - - -  | \$ 2,775.80   | \$ 1,138.00   |
| United States Government securities - - - - -                                       | 10,078,007.83 | 6,641,585.66  |
| Industrial advances - - - - -   | 112,572.27    | 112,254.99    |
| Commitments to make industrial advances - - - - -                                   | 12,600.84     | 27,942.71     |
| All other - - - - -   | 5,258.18      | 5,302.75      |
| Total current earnings - - - - -  | 10,211,214.92 | 6,788,224.11  |
| <br><b>CURRENT EXPENSES</b>   |               |               |
| Total operating expenses (including normal depreciation on bank premises) - - - - - | 8,598,700.68  | 7,405,069.16  |
| Less Reimbursements for certain fiscal agency and other expenses - - - - -          | 4,673,308.89  | 3,848,067.17  |
| Net operating expenses - - - - -  | 3,925,391.79  | 3,557,001.99  |
| Assessment for expenses of Board of Governors - - - - -                             | 180,439.23    | 182,582.85    |
| Federal Reserve currency:   |               |               |
| Original cost - - - - -   | 1,025,022.09  | 793,341.83    |
| Cost of redemption - - - - -  | 60,511.58     | 42,078.06     |
| Total current expenses - - - - -  | 5,191,364.69  | 4,575,004.73  |
| <br><b>PROFIT AND LOSS</b>  |               |               |
| Current earnings - - - - -  | 10,211,214.92 | 6,788,224.11  |
| Current expenses - - - - -  | 5,191,364.69  | 4,575,004.73  |
| Current net earnings - - - - -  | 5,019,850.23  | 2,213,219.38  |
| Additions to current net earnings:  |               |               |
| Profits on sales of United States Government securities - - - - -                   | 300,153.09    | 3,094,713.04  |
| All other - - - - -   | 24,134.52     | 65,206.95     |
| Total additions to current net earnings - - - - -                                   | 324,287.61    | 3,159,919.99  |
| Deductions from current net earnings:   |               |               |
| Reserves for losses - - - - -   | —0—           | 5,122.92      |
| Retirement System (interest base and increased benefits adjustments) - - - - -      | —0—           | 876,282.24    |
| Special reserves on bank premises - - - - -   | —0—           | 593,965.46    |
| All other - - - - -   | 1,050.69      | 1,696.84      |
| Total deductions from current net earnings - - - - -                                | 1,050.69      | 1,477,067.46  |
| Net additions to or deductions from current net earnings - - - - -                  | +323,236.92   | +1,682,852.53 |
| Net earnings - - - - -  | 5,343,087.15  | 3,896,071.91  |
| Paid to United States Treasury (Section 13b) - - - - -                              | 43,135.90     | 43,135.90     |
| Dividends paid - - - - -  | 795,891.02    | 730,662.84    |
| Transferred to Surplus (Section 7) - - - - -  | 4,490,807.61  | 3,114,148.63  |
| Transferred to Surplus (Section 13b) - - - - -                                      | 13,252.62     | 8,124.54      |

RECONCILEMENT OF SURPLUS ACCOUNT (SECTION 7)**SURPLUS ACCOUNT (Section 7)**

|   |                 |
|---|-----------------|
| Balance December 31, 1943 - - - - -                                 | \$14,158,474.61 |
| Net earnings, after dividends, transferred in 1944 - - - - -        | 4,490,807.61    |
|   | 18,649,282.22   |
| Withdrawn in 1944, to increase reserves for contingencies - - - - - | 2,750,000.00    |
| Balance December 31, 1944 - - - - -                                 | 15,899,282.22   |

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December 31, 1944

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