

**SMART WOODS**  
LIMITED CANADA  
Manufacturers of  
**Jute and Cotton**  
**Bags, Tents,**  
**Clothing, Etc.**  
FACTORIES IN  
**MONTREAL, TORONTO,**  
**OTTAWA, WINNIPEG**

The  
**Imperial Guarantee & Accident**  
**Insurance Company**  
of Canada

**TWELFTH ANNUAL REPORT**

**BUSINESS IN BANKING IN THE UNITED STATES.**

(Concluded from page 3).

sist that at least a part of the gold be used in strengthening banking and currency reserves.

**Waste and Thrift.**

One of the members of President Wilson's cabinet recently took occasion to reproach the people of the United States with their wasteful habits. In citing statistics, of the per-capita of savings deposits in the United States and other countries, the people here are placed in an unfavorable light, because the rank below several other nations whose people have a much lower earning capacity. These figures, however, are less conclusive than appears at first sight. Consideration must be given to the fact that savings in the United States are not all in the Savings banks. There are building and loan associations and fraternal organizations of various kinds carrying large amounts of savings, besides the ordinary banks of deposit and discount also. If these favorable allowances are made, the showing no better than it should be. Americans spend money rather lavishly at all times, and in seasons of exceptional prosperity like the present, they are apt to forget that less favorable days may be in store. To counteract this tendency a national thrift campaign has been inaugurated, and a special day—February 3rd—has been set aside for calling attention to the desirability of greater thrift on the part of the people. The day is to be signalized not merely by attempts to increase savings deposits in banks, but by popular lectures, sermons and newspaper articles showing the value of thrift.

**Prohibition Advancing.**

An important effect upon the economic life of the country promises to result from the spread of prohibition. No doubt the present movement has gained momentum from the examples of the European belligerents in restricting the sale of alcohol as a war measure; but quite aside from this, there seemed to have arisen in this country some years ago a quiet determination to end the liquor evil. This determination had its origin largely in the belief that the saloon was an economic drawback, and that the prosperity of the masses could not be permanently assured while it existed. At first sight it would appear that people who were indifferent to the moral evils of the traffic were ready enough to listen to an appeal based on purely monetary considerations, but this is perhaps not the true reason why the saloon is to disappear. There is a growing feeling among mankind, by no means peculiar to the United States, that the moral advancement of the race is not only compatible with material prosperity, but is greatly helped thereby.

That a nation is economically strengthened by reducing the consumption of strong drink, is undoubtedly the position assumed by most or all of the European belligerents—a position they would not have taken without careful investigation. The example is not being lost on this country, where it is regarded that if we must prepare for defense every step taken now will count doubly later on.

In the process of waste elimination, alcohol is naturally attacked because of the bad reputation attaching to it. There are many sources of National waste hardly less glaring to which attention may be profitably directed when accounts with John Barleycorn are settled.

The Shareholders of the Imperial Guarantee and Accident Co., held their 12th annual meeting at their Head Office in Toronto on Thursday, January the 12th, 1917, and the following Report was read and adopted.

The Directors have much pleasure in submitting to the Shareholders their Twelfth Annual Report for the twelve months ending 31st December, 1916.

**Business.**

The Company issued 13,250 policies for insurance of \$34,107,135.00. The premiums thereon amounted to \$267,770.19. The interest earnings amounted to \$18,486.60, being an increase of \$1,341.40.

**Assets.**

The Assets of the Company now amount to \$447,933.43, and the investments of the Company are all first-class securities bearing good interest returns.

**Surplus.**

The Contingent Reserve Fund now amounts to \$20,000.00, and the surplus to policyholders is \$286,030.74, which, together with the uncalled subscribed Capital of \$800,000.00, makes the available security for all contracts \$1,106,030.74.

During the year the Directors secured a license on the business of insuring Automobiles against Fire, so that the lines of Insurance now written are: Personal Accident Insurance, Sickness Insurance, Elevator Insurance, Fidelity Guarantee, Plate Glass Insurance, and Automobile Insurance (including insurance of Automobiles against Fire).

The Certificate of the Auditors is appended to the Financial Statement as to the audit of the Company's affairs.

HERBERT C. COX,

Toronto, 12th January, 1917. President.

**Statement for Year Ending December 31st, 1916.**

**PROFIT AND LOSS ACCOUNT.**

DR.		CR.	
To Claims, Commission and Expenses	\$235,733.95	By Balance Profit and Loss Dec. 31st, 1915	\$77,888.94
Reinsurance and Refunds	20,400.17	" Premiums	267,770.19
Reserve for Unearned Premiums, December 31st, 1916	95,601.63	" Interest	18,486.60
Added to Contingent Reserve Fund	5,000.00	Reserve for Unearned Premiums, December 31st, 1915	94,620.76
Dividend paid January 1st and July 1st, 1916	16,000.00		
Balance	86,030.74		
	\$458,766.49		\$458,766.49

**BALANCE SHEET.**

ASSETS		LIABILITIES.	
Bonds and Debentures, depreciated value	\$207,614.25	Government Reserve for Unearned Premiums	\$95,601.63
Real Estate	2,324.03	Reserve for Filed and Unfiled Claims	33,836.06
Loans on Mortgages	9,400.00	Contingent Reserve Fund	20,000.00
Accrued Interest	1,659.17	Sundry Accrued Accounts	2,965.00
Outstanding Premiums (Reserve on same included in Liabilities)	40,549.16	Dividend payable January 1st, 1917	8,000.00
Other Assets	12,670.85	Suspense Account	1,500.00
Cash in Savings Bank bearing Interest	57,871.17	Capital Stock Paid	\$200,000.00
Cash in Banks and on hand	15,844.81	Surplus over all Liabilities	86,030.74
	\$447,933.43		\$286,939.74
			\$447,933.43

**Auditors' Certificate.**

We have audited the accounts of the Imperial Guarantee & Accident Insurance Company of Canada for the year ending December 31st, 1916. We have examined the securities and verified the Cash and Bank Balances and we certify that the above Balance Sheet shows the true position of the Company at that date.

CLARKSON, GORDON & DILWORTH,  
Chartered Accountants.

Toronto, 12th January, 1917.

President, Herbert C. Cox, President Canada Life Assurance Company; Vice-President, Noel Marshall, President Standard Fuel Company; Directors: R. Bickerdike, M.P., Montreal, Director Western Assurance Company; Elias Rogers, Toronto, President

National Life Assurance Company; President Crow's Nest Pass Coal Company, Limited; S. Burrows, Belleville, Branch Manager, The Mutual Life Assurance Co.; G. A. Morrow, Toronto, President Imperial Life Assurance Company; D. B. Hanna, Toronto, Third Vice-President Canadian Northern Railway; W. B. Robb, Montreal, Supt. of Motive Power, Grand Trunk Railway; P. G. Goldsmith, M.D., Toronto; W. G. Morrow, Peterboro, Manager Toronto Savings and Loan Company; A. McT. Campbell, Winnipeg, Branch Manager Canada Life Assurance Co.; W. B. Meikle, Toronto, Manager Western Fire Assurance Company. Managing Director, E. Willans. Secretary, Frank W. Cox.