THE CANADIAN BANK OF COMMERCE—*Continued*

Statement of the result of the business of the Bank for the year ending 30th November, 1916

Balance at credit of Profit and Loss Account brought forward from last year		$ 461,892.25
Net Profits for the year ending 30th November, after providing for all bad and doubtful debts		2,439,415.17
		$ 2,901,307.42
This has been appropriated as follows:		
Dividends Nos. 116, 117, 118 and 119 at ten per cent. per annum		$ 1,500,000.00
Bonus of one per cent. payable 1st June		150,000.00
Bonus of one per cent. payable 1st December		150,000.00
War tax on bank-note circulation to 30th November		147,288.33
Transferred to Pension Fund (annual contribution)		80,000.00
Subscriptions:		
Canadian Patriotic Fund	$50,000.00	
British Red Cross Fund	5,000.00	
British Sailors' Relief Fund	5,000.00	
Sundry subscriptions, including Northern Ontario Fire Relief Fund and War Hospitals, etc.	11,700.00	
		71,700.00
Balance carried forward		802,319.09
		$ 2,901,307.42

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE CANADIAN BANK OF COMMERCE.

In accordance with the provisions of sub-sections 19 and 20 of Section 56 of the Bank Act, 1913, we report as follows:

We have audited the above Balance Sheet and compared it with the books and vouchers at Head Office and with the certified returns from the branches. We have obtained all the information and explanations that we have required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

We have checked the cash and verified the securities representing the investments of the Bank at its chief office and principal branches at a date other than, and in addition to, the verification at 30th November, 1916, and found that they were in agreement with the entries in the books of the Bank relating thereto.

In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Bank according to the best of our information and the explanations given to us, and as shown by the books of the bank.

T. HARRY WEBB, C. A.,
of Webb, Read, Hegan, Callingham & Co.
JAMES MARWICK, C. A.,
of Marwick, Mitchell, Peat & Co.
} Auditors.

LLOYDS UNDERWRITERS OF LONDON.

We have always based our criticism of Lloyd's on the fact that it avoids publicity, and this for the simple reason that people selling insurance cover should not avoid, but should court, the fullest publicity, for they stand in a different position to the general public to all other traders. The ordinary tradesmen either gives credit or immediate delivery for the consideration received, but the person or company selling insurance may not be called upon to prove his ability to fulfil his part of the contract for many years; in other words, he does not give credit, but asks for credit. For this reason in most countries insurance offices have to submit to the constant supervision of government departments, upon whom rests the responsibility for the stability of the concerns.

UNKNOWN RESOURCES.

In Great Britain we have no state supervision, but companies are obliged to publish a statement of their assets, etc., and the general public is left to form its own opinion as to which are worthy of confidence. But the Act of 1909, whilst clearly anticipating that Lloyd's Underwriters would fall in with the general custom, does not make publicity obligatory for them, and, with one single exception in about 600 underwriters, they have avoided the publicity entailed on other underwriters doing the same business. Beyond the auditors, and possibly the Committee of Lloyd's, no one knows the resources of the various groups of underwriters. Certainly we have not got this information, and no responsible person would ever describe Lloyd's resources as illimitable.

Insurance men have some idea as to which are the most unreliable groups at Lloyd's, but the general public has not this knowledge—for them its all "Lloyd's," and we are looking at the question from the public standpoint.

PARASITIC METHODS.

Every insurance man knows that so far as fire insurance is concerned Lloyd's are parasitic in their methods. The Fire Offices' Committee collects information as to the average losses, etc., in various classes of risks and bases its rates thereon. Every insurance man knows that the rates charged by Lloyd's are based on the tariff rates with a little guess work or a simple cut thrown in. The tariff offices employ a whole army of fire surveyors, and the like, inspecting risks, electric light, sprinklers, installations, etc. These men are doing valuable national work reducing the fire waste. We have never heard of Lloyd's doing any of this work however.—*Manchester Policyholder.*

The economy now to be desired means more than the mere setting aside of that proportion of income not required for comfortable living; it means the conservation of our industrial energy and man power so that they may be applied to strengthening the pressure exerted on the enemy.—*Canadian Bank of Commerce.*