

LONDON AND LANCASHIRE FIRE INSURANCE COMPANY, LIMITED.

In spite of the severe handicaps imposed by the circumstances of 1915, the London and Lancashire Fire Insurance Company last year continued the brilliant forward movement which has been so notable a feature of its operations for several years past. There was again an increase in the premium income of each department, fire, accident and marine, and not only so, but the increase in the aggregate premiums shows an advance upon that recorded for 1914. The energy with which the Company's affairs have been conducted by Mr. F. W. P. Rutter, the general manager, and his staff, may be gauged from the fact that since the opening of the present century, the Company's premium income which is now but little less than \$15,000,000 has been almost tripled, and actually within the last three years has been increased by \$2,750,000. At the same time, results have been achieved indicative of an ample prosperity. In such circumstances the brilliant record made by the London & Lancashire Fire is probably only the precursor to notably greater things.

FIRE DEPARTMENT'S RECORD.

The summarised results of the business printed on another page show effectively the satisfactory character of last year's business. In all three departments of fire insurance, accident insurance and marine insurance, results was such as to give a substantial surplus. In the fire department the results achieved were particularly satisfactory. With premiums of \$8,583,239, an advance of over \$300,000 upon 1914, losses paid and outstanding absorbed only \$4,362,360, an actual decrease of \$230,000 on the preceding year and giving a ratio of 50.8 per cent. compared with 55.5 in 1914. Expenses, including taxes, totalled \$3,097,575, a somewhat larger proportion than in 1914 at 36.1 per cent., owing to the unavoidable heavy increase in taxation and, to some extent also, the additional cost of the staff. No fewer than 647 members of the staff have either enlisted or been enrolled for active service, and the Company is continuing to pay their salaries. After adjusting the unexpired risk reserve, now standing at \$3,435,000, \$500,000 of the underwriting surplus has been added to the additional reserve, thereby raised to \$1,500,000. Besides the considerably enhanced fire funds of \$4,935,000, there is the general reserve of \$5,000,000 and a profit balance of \$4,297,930, a total of \$14,232,930, giving the very fine proportion of funds available for the protection of fire policyholders of about 166 per cent. of last year's net premium income, apart altogether from the paid-up and subscribed capital.

IMPORTANT ACCIDENT BUSINESS.

Following a great advance of well over one million dollars in 1914 in its accident department, the London & Lancashire last year increased only slightly its net premium income to \$4,544,910. Claims paid and outstanding absorbed \$2,309,185, a ratio of 50.8 per cent. to premiums, somewhat curiously the same figure as is reported in the fire department. Expenses and taxes naturally show an increase at \$1,851,065, against \$1,737,410 and equal to 40.7 per cent. of the premiums against 38.3. It may be noted that nearly \$40,000 of this expense increase is classified under the heading of colonial and foreign taxes. While there was only a slight

increase in premiums, the Company increased the departmental funds by \$250,000 to \$2,570,000, accident policyholders having also, of course, the security afforded by the Company's very large general funds already alluded to.

THE COMPANY IN CANADA.

The London & Lancashire Fire, which has been transacting business in Canada since 1880, has a complete organization, and is highly esteemed by policyholders throughout the Dominion. Last year the London & Lancashire received net cash for fire premiums in Canada, \$703,503, while net losses incurred were \$337,018, giving the favorable loss ratio of 47.91 per cent. The London & Lancashire Fire also operates in Canada the Quebec Fire Assurance Company, and the Mercantile Fire Insurance Company, whose policyholders have the protection, in addition to the funds of the companies, of the London & Lancashire Fire's guarantee. Last year, the Quebec Fire received net cash for premiums in Canada of \$236,650 and incurred losses of only \$84,901, giving the very low loss ratio of 35.88 per cent. The Mercantile also transacts a profitable business.

Accident business in Canada is transacted through the London & Lancashire Guarantee & Accident Company, founded in 1908, and controlled by the London & Lancashire Fire. This subsidiary Company received in 1915 in the various departments of casualty insurance transacted in Canada, a premium income in excess of \$150,000.

For many years Mr. Alfred Wright has been the London & Lancashire Fire's manager and chief agent in Canada, at its Toronto office, while Mr. Colin E. Sword occupies the important position of manager at Montreal of both fire and accident business.

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Montreal Branch: 136 ST. JAMES STREET
E. C. GREEN, Manager.