

THE STANDARD BANK OF CANADA—Continued

AUDITOR'S REPORT TO THE SHAREHOLDERS.

I have compared the above Balance Sheet with the books and accounts at the chief office of The Standard Bank of Canada, and the certified returns received from its branches, and after checking the cash and verifying the securities at the chief office and certain of the principal branches on 31st January, 1920, I certify that in my opinion such Balance Sheet exhibits a true and correct view of the state of the Bank's affairs according to the best of my information, the explanations given to me, and as shown by the books of the Bank.

In addition to the examination mentioned, the cash and securities at the chief office and certain of the principal branches were checked and verified by me at another time during the year, and found to be in accord with the books of the Bank.

All information and explanations required have been given to me, and all transaction of the Bank which have come under my notice have, in my opinion, been within the powers of the Bank.

G. T. CLARKSON, F.C.A.,

of Clarkson, Gordon & Dilworth, Toronto, Canada.

Toronto, February 16th, 1920.

CANADA NATIONAL FIRE INSURANCE COMPANY.

The Annual Statement of the Canada National Fire Insurance Company for 1919, reveals eminently satisfactory results, and from an underwriting standpoint, the year under review, was one of the most prosperous in the history of the Company. The Company's loss ratio reached the very low level of 33.45%, as compared with 43.79% in 1918, and 46.65% in 1917.

The Company for some years, with its large resources, has if anything been ultra conservative in its underwriting policy, and as a result its premium income does not indicate any great expansion in its business, on the other hand, the favourable loss ratio experienced for some years would indicate the great care taken in the selection of risks.

The total income for the year totalled \$337,195, including revenue from Mortgages, and other resources. After providing for all management expenses, war taxes, and sundry other charges, there remained a balance of \$163,118, which was appropriated as follows: Transferred to Dominion Government Reserve \$2,092, dividends (6%) \$109,278. The balance amounting to \$51,747 was added to the net surplus.

The net surplus has now been advanced to the large sum of \$297,585 there is in addition a Contingent Reserve of \$100,000, making a total reserve of \$397,585. The paid up capital of the Canada National, was further increased during the year by \$31,000 to \$1,825,958, so that it may be said, its capital paid-up is now easily one of the largest among Canadian fire companies. The surplus to policyholders now amounts to \$2,123,543, indicating a strong financial position.

An important feature in the Company's assets, is its holdings of stocks and bonds totalling \$679,296, of this amount, Dominion Government War bonds is represented by the substantial sum \$555,000, all fully paid. The Companies Securities appear to be of a high order, in addition to the above, consisting of first mortgages, on selected city and farm properties with ample margin of

security, all about equally distributed throughout the four Western Provinces, and it is reasonable to assume that with the very material advance in the cost of building materials, and in the price of labour, the Companies mortgage securities have been considerably enhanced during the past year.

The Company has extended its agencies, and improved its organization throughout the Dominion, with a view to further expansion, as it is felt by the directors, that building operations are likely to be resumed during the present year, (providing labor difficulties are not experienced) resulting in an increased demand for fire insurance.

T. EATON COMPANY, TORONTO, TO ENTER INSURANCE BUSINESS.

From reports to hand, we understand that the T. Eaton Company, Toronto are making application to Ottawa for the necessary powers, enabling them to transact practically all branches of insurance. The title of the company to be the General Insurance Company. There are at present two companies in active operation in Canada, having a similar title, viz.; the General of Paris, and the General of Perth, and as too many General's in fire insurance are quite as undesirable as too many General's in the army, the T. Eaton Company may be compelled to change the title of the proposed Company. On the other hand if the new venture succeeds to the same extent, as the famous departmental store operated by the T. Eaton Company, and thus distinguished, and not extinguished itself, it might very well claim a higher title than that of "General," and be called the "Field Marshal" Insurance Company. In making this suggestion, The Chronicle has no desire to discourage any institution, largely engaged in the sale of dry goods, groceries, etc., that has the temerity to risk a considerable amount of funds in the business of fire insurance, a business, in which, there has probably been more failures, than in any other business. It is well known that the Canadian field is densely crowded with insurance companies, many of them strong and powerful, whose experience in underwriting has been very mixed.