

LONDON AND LANCASHIRE LIFE ASSURANCE COMPANY.

On a later page we present a synopsis of the 40th annual report of the London and Lancashire Life Assurance Company, the favourable character of which is highly satisfactory. The results of the operations last year are all the more a ground for congratulation inasmuch as the whole of the reserves have been put upon a common basis of $3\frac{1}{4}$ per cent. The new policies issued during the year were 2,211, for \$3,424,020, yielding a premium income of \$153,786. The net premium income for the year was \$1,373,930, which was a considerable increase over 1901. The income from interest and other sources amounted to \$328,740, making the total net income \$1,702,971, against \$1,623,067 in previous year. The death claims were \$525,252, which is \$23,708 less than in 1901, and much below the sum anticipated and provided for. As a result of the past year's operations there was \$667,831 added to the funds, which now amount to \$8,815,340, this was the largest sum ever added by the company in one year.

The quinquennial valuation upon a basis of $3\frac{1}{4}$ per cent. showed a surplus of \$515,635, out of which \$425,000 is to be distributed amongst the policyholders and shareholders, the former of whom will receive a reversionary Bonus for the quinquennium, of \$37.50 per \$1,000 on endowment policies, and from \$50 to \$62.50 upon whole life policies. The balance of \$90,635 is carried forward to next year as undivided profit. The results of the five years' valuation, to which policyholders in particular look forward with much interest, proved to be so highly satisfactory that the announcement has given much gratification, and will materially advance the interests of the London and Lancashire Life in Canada.

The average rate of interest on the invested and the uninvested funds was within a fraction of 4 per cent. Another good feature was a reduction of about 1.25 per cent. in the management expenses, although there was an increase of business.

The assets of the company amount to \$8,960,035. Of these resources the sum of \$3,027,908 is invested in Canada. This is the largest Canadian investment, except one, of a British life company, in the securities of this Dominion, which now stand in such high favour amongst investors in the old country. Under the energetic and popular management of Mr. B. Hal Brown, the company is acquiring an increasing business in Canada, in spite of the prevailing keen competition, and is securing a stronger hold upon public confidence. The Canadian premiums last year amounted to \$313,472, which is the largest premium income the company has received in Canada. The progress made by the London and Lancashire Life under the direction of Mr. W. P. Clirehugh, general manager, testifies to the wisdom and energy of his management, which are generally recognized in life assurance circles.

THE LONDON AND LANCASHIRE FIRE INSURANCE COMPANY.

The results of last year's business of the London and Lancashire Fire Insurance Company, were very satisfactory. The net premiums amounted to \$9,047,590, and the net losses were \$2,806,625, the loss ratio being 47.89 per cent., against 51.56 in 1901. The long record of the company for favourable results renders its shareholders and other connections somewhat disposed to anticipate a regular succession of good years, which cannot be reasonably looked for in the business of fire insurance. Throughout the more recent past years, during which, companies generally had unfavourable, in not a few instances indeed, disastrous experiences, the above company uniformly made a profit, so that it kept on an even keel and in deep water, while storms were raging that put some on the rocks, and caused others to be so damaged as to need repairs. The net losses incurred \$2,806,625, added to the amount of the commissions and management and general expenses, \$2,160,100, together make the outlay \$5,056,725, which sum deducted from the net premium income leaves a balance of \$990,765, which is a considerable underwriting surplus for the fire business to yield; it exceeds that of 1901 by \$248,410.

The Accident Department's net premiums amounted to \$261,895, and net losses incurred \$137,685. The commissions paid, and management and general expenses were \$90,415, which sum added to the losses made an outlay of \$228,100, so that, as the premium income was \$261,875, the Accident business yielded a surplus of \$33,775. The working of the two departments, fire and accident, yielded a surplus of \$1,024,665, after providing for all expenses, taxes and charges of every kind.

The directors decided to transfer \$500,000 to the Reserve Fund, thus raising it to \$4,250,000, to transfer \$150,000 to the Accident Fund, which now stands at \$250,000, to credit a new Staff Pension Fund with \$250,000, to pay a dividend of \$2.25 per share, making the total distribution for the year \$3.40 per share. After providing for above, the balance remaining of \$2,536,080 was carried to next account. The assets of the London and Lancashire Fire Insurance Company amounted to \$9,750,225.

The Company had a specially favourable year in Canada, the ratio of losses having been only 44.28, as against 53.98 in 1901. The premiums received amounted to \$250,033, which is the largest on record, the losses were \$114,700, as compared with \$135,574 in 1901, \$195,108 in 1900, and \$226,586 in 1898. Mr. Alfred Wright, Toronto, who represents this strong and well-managed company in Canada, is promoting its interests with assiduity and skill.

The record of this enterprise for a succession of years has been such an exhibit of underwriting and managerial ability as reflects the highest credit upon Mr. Rutter, the general manager of this successful and substantial company.