

LIVERPOOL & LONDON & GLOBE INSURANCE COMPANY, LIMITED.

Possessing particularly choice fire insurance connections and transacting a large business in all other departments of insurance, the Liverpool and London and Globe Insurance Company, Limited, was able last year, in spite of the inherent difficulties of the period, to develop yet further its world-wide operations. The Company reports for 1915 a premium income almost \$2,000,000 in excess of that of 1914, all departments contributing to the increase. This fact is indicative of the unceasing energy displayed in the conduct of the business, an energy which, of course, receives great assistance from the Company's magnificent reputation in every insurance field in the world, a reputation which is enhanced as opportunities arise from time to time for the display of the great strength of its financial position and the amplitude of its resources. In its financial strength is naturally to be found the underlying reason for the Company's attainment to its present eminent place, and the prospects that lie before it of steady progress to even greater achievement.

THE FIRE DEPARTMENT'S YEAR.

For the first time, the fire department of the Liverpool & London & Globe reports for 1915 a premium income in excess of \$16,000,000. The actual figures of \$16,037,340 show the substantial advance over those of 1914 of \$543,735—figures which are strongly suggestive of the expansive power of the business. Coupled with this marked increase in premiums, was a considerable improvement in the loss experience as compared with the preceding year. Losses were lower than in 1914 in actual amount by some \$600,000—\$8,830,230 against \$9,443,715—the ratio to premium income being reduced to 55.06 per cent. against 60.95 per cent. in 1914. The leading position occupied by the Liverpool and London and Globe in United States fire underwriting is naturally reflected in the experience of the fire department as a whole. Last year, it was reported at the annual meeting, while United States results showed a very distinct improvement over 1914 they did not quite reach the average standard. All the Colonial connections, however, experienced a very successful year, while home business did not yield its usual uniformly good results, probably as a result of the high pressure under which manufacturing plants have been working.

Expenses of management, commission, contributions to fire brigades and foreign State taxes together absorbed \$5,660,950 or some \$50,000 less than in the preceding year—a rise in taxation neutralising very considerably economies effected in expenses within the Company's control. The ratio of expenses to premiums is, however, 35.3 per cent., compared with 36.9 per cent. in 1914. After adjustment of the 40 per cent. reserve for risks unexpired, an amount of \$1,769,030, including net interest receipts, is carried to profit and loss account.

A STRONG FINANCIAL POSITION.

The Company's funds available for the protec-

tion of fire policyholders continue to be maintained at a high level. In addition to the specific fire reserve funds of \$11,414,935, there is also maintained a general reserve of \$5,000,000, which with the balance on profit and loss account of \$4,327,770 (as at December 31) makes total funds of \$20,742,705, available to protect fire policies, an amount equal to 129 per cent. of the net fire premium income for last year, apart altogether from the large paid up and subscribed capital. The total assets of the Liverpool & London & Globe are over \$72,000,000, and, since its establishment eighty years ago, the Company has paid in claims no less a sum than \$415,465,630.

THE ACCIDENT BRANCH.

While the Liverpool and London and Globe's accident branch is comparatively a recent development of the Company's energies, it has in a few years made very great progress and a business of important proportions in the various departments of casualty insurance is now transacted. In 1915, this department increased its annual premiums by over \$200,000 to \$5,802,075 against \$5,593,725 in the preceding year. Losses absorbed no more than 47.86 per cent. of the premiums, compared with 50.28 per cent. in 1914. A further percentage of 40.56 goes for expenses and commission, resulting after due provision on a 40 per cent. basis for the increase in unexpired risk, in a satisfactory margin of profit on the year's transactions.

THE COMPANY IN CANADA.

Established in the Canadian field so far back as 1851, the Liverpool and London and Globe holds a leading position in Canadian underwriting. In recent years, the business of the Company throughout the Dominion has made great strides under the management of Mr. J. Gardner Thompson, aided in later years by Mr. Lewis Laing as assistant manager, and substantial success has attended the Company's operations. Last year, very fine results were achieved. The Liverpool and London and Globe received cash for net Canadian premiums, \$1,342,437, net losses incurred being \$649,982, a proportion to premiums of 48.42 per cent. Additionally, a large fire business in Canada is transacted by the Liverpool-Manitoba Assurance Company, which is owned by the Liverpool and London and Globe. Last year premiums received by the Liverpool-Manitoba were \$266,296 and losses incurred \$133,558, a proportion of 50.03 per cent. In 1915, also, the Liverpool and London and Globe purchased control of the Hamilton Fire Insurance Company, which has now received a Dominion license. Accident business in Canada is transacted through the medium of the Globe Indemnity Company of Canada, formerly the Canadian Railway Accident Insurance Company, of which Mr. John Emo, a veteran in the Canadian accident business, continues as general manager, a position which he has occupied for many years since the original establishment of the Company.