

insurance in force. The total assets, including only items admitted by the State insurance department, were \$16,673,743, showing a gain of nearly a million dollars, to be exact, \$937,032. The surplus to policyholders was increased by \$63,706, bringing the total up to \$1,139,299. The Germania has been in the field since 1860, and for some time past has extended its business to Germany, where profitable results have been attained. For a little more than four years it has transacted business in Canada, and by its careful methods and equitable dealing has won a large place in the public confidence, as shown by the steadily increasing business secured. The company in the Dominion is under the management of Messrs. Jeffers and Rönne, with headquarters at Toronto, and it has been fortunate in the selection of its representatives, who are regarded generally as not only enterprising managers but courteous gentlemen.

#### THE LANCASHIRE AND THE ARMSTRONG DEAL.

The report of the directors of the Lancashire of Manchester on the business of 1891 states the total fire premiums to have been £905,238, an increase of £225,536, and the losses £524,519. The fire insurance and reserve funds now stand at £480,000, and the total assets are £1,771,006. With regard to the Armstrong reinsurance deal the directors say:—

After providing for all claims, reported losses, expenses and reinsurances, there was a surplus of £107,873 10s. 10d., which has been carried to the profit and loss account. The directors have secured a large and hitherto profitable business in America, on terms which they believe will be remunerative to the company. It has been resolved to provide for the good-will of this business by four annual instalments of £11,429 each, and the first of these is charged to profit and loss account for the past year. All the expenses in connection with the business so secured have been paid and charged in the present accounts, and in addition thereto, £80,000 has been set aside as a special reserve fund.

In response to the question by Mr. McCulloch: "Why do the Armstrong people sell?" the general manager, Mr. George Stewart, in the course of his remarks at the annual meeting, said:—

Before we purchased these businesses we went through the Government reports on the companies. These show that the losses have averaged 60 per cent., that the expenses have averaged 18 per cent., and that the profit made during the year 1890, which was by no means a good year in certain districts, exceeded 15 per cent. There is no American company carried on on the old principle which can show such results as these, and we are going to continue the business on the same lines. We have an office in New York of which the principal officials are men who have been working the business for the last nine years, and are conversant with it. I only wish we could introduce the Armstrong system into England. Now, I have been asked, "why did Armstrong sell?" I put that question, and I put it in writing, and I got a written reply. I am not sure that I ought to give that answer; it was confidential. It was satisfactory to the Board, and if I say it had nothing whatever to do with the losses and profits of the Armstrong business, I think I have said all that is necessary. There are confidences that ought not to be divulged. I have been asked also what provision for outstanding risks has been made? That is a proper question, and I will answer it. When I was consider-

ing this matter I decided that we ought to separate the liability into four items—first, the expenses; second, known liabilities; third, unknown liabilities; and fourth, the liability consequent on the duplication of risks, owing to the acquisition of the Armstrong business. When we came to the facts we found it impossible to divide the liability into these four items; we had to fall back upon the divisions of known and unknown liability. The known liability we estimate at a little under £60,000, and that £60,000 is charged in the 1891 account. Had we not so charged it the surplus balance would have been £167,000. Secondly, in addition to that known liability so charged in the account, we have a profit of £80,000, which makes £140,000 of provision for this liability. But that is not all. We have not included the whole premium income in 1891. We do not know how the Armstrong account will turn out, and under these circumstances we kept out all we could keep out; but I think I can say this, that when these accounts are received there will be a very large sum to add to the £140,000 which we have provided for this liability.

#### VALUES OF BRITISH INSURANCE SHARES.

COMPANY.	Capital paid up.	Am't subscribed per share.	Am't paid up per share.	1891.		1892.
				Highest.	Lowest.	Mar. 14 Highest.
Alliance .....	550,000	20	2 <sup>1</sup> / <sub>2</sub>	£	£	£
Atlas .....	144,000	50	6	11 <sup>1</sup> / <sub>2</sub>	10 <sup>1</sup> / <sub>4</sub>	10 <sup>3</sup> / <sub>4</sub>
British & For. Mar.	200,000	20	4	25 <sup>1</sup> / <sub>2</sub>	22 <sup>1</sup> / <sub>2</sub>	25
Caledonian .....	90,000	25	5	23 <sup>1</sup> / <sub>2</sub>	19 <sup>1</sup> / <sub>4</sub>	20 <sup>3</sup> / <sub>4</sub>
City of London Fire	100,000	9 <sup>1</sup> / <sub>2</sub>	1 <sup>1</sup> / <sub>2</sub>	35 <sup>1</sup> / <sub>2</sub>	30 <sup>1</sup> / <sub>4</sub>	30
Commercial Union.	250,000	50	5	3 <sup>1</sup> / <sub>2</sub>	1 <sup>1</sup> / <sub>2</sub>	1 <sup>1</sup> / <sub>2</sub>
Employers' Liability	150,000	10	2	35	31	31 <sup>1</sup> / <sub>4</sub>
Guard'n Fire & Life	1,000,000	100	50	4 <sup>1</sup> / <sub>2</sub>	3 <sup>1</sup> / <sub>2</sub>	4 <sup>1</sup> / <sub>2</sub>
Imperial Fire .....	300,000	20	5 <sup>1</sup> / <sub>2</sub>	103	92	104
Lancashire .....	272,986	20	2	194 <sup>1</sup> / <sub>2</sub>	170 <sup>1</sup> / <sub>2</sub>	35
Liv. & Lon. & Globe	245,640	st'ck	2	9 <sup>1</sup> / <sub>2</sub>	6 <sup>1</sup> / <sub>4</sub>	6 <sup>1</sup> / <sub>2</sub>
London Assurance..	448,275	25	12 <sup>1</sup> / <sub>2</sub>	52 <sup>1</sup> / <sub>2</sub>	46 <sup>1</sup> / <sub>2</sub>	44 <sup>1</sup> / <sub>2</sub>
Lon. & Lanc. Fire.	185,200	25	2 <sup>1</sup> / <sub>2</sub>	56	52	57
Lon. & Lanc. Life..	20,000	10	2	22 <sup>1</sup> / <sub>2</sub>	19 <sup>1</sup> / <sub>2</sub>	20 <sup>3</sup> / <sub>4</sub>
Manchester Fire...	150,000	20	2	4 <sup>1</sup> / <sub>4</sub>	4	4 <sup>1</sup> / <sub>4</sub>
North Brit. & Merc.	687,500	25	6 <sup>1</sup> / <sub>4</sub>	11 <sup>1</sup> / <sub>2</sub>	7 <sup>1</sup> / <sub>2</sub>	10 <sup>1</sup> / <sub>4</sub>
Northern Assurance.	300,000	100	10	59 <sup>1</sup> / <sub>2</sub>	49 <sup>1</sup> / <sub>2</sub>	51
Norwich Union ....	132,000	100	12	77 <sup>1</sup> / <sub>2</sub>	71	72
Phoenix Fire* .....	.....	.....	.....	97 <sup>1</sup> / <sub>2</sub>	96	100
Queen, Liverpool...	180,035	10	1	291 <sup>1</sup> / <sub>2</sub>	254	273
Royal .....	289,545	20	3	8 <sup>1</sup> / <sub>4</sub>	7 <sup>1</sup> / <sub>2</sub>	8
Scot. Un. & Nat. (A)	238,655	20	1	62 <sup>1</sup> / <sub>2</sub>	54 <sup>1</sup> / <sub>2</sub>	52 <sup>1</sup> / <sub>2</sub>
Standard Life .....	120,000	50	12	4 <sup>1</sup> / <sub>2</sub>	4 <sup>1</sup> / <sub>2</sub>	4
State Fire .....	37,500	10	3 <sup>1</sup> / <sub>4</sub>	55 <sup>1</sup> / <sub>2</sub>	54 <sup>1</sup> / <sub>2</sub>	54
Sun Fire .....	125,000	10	7 <sup>1</sup> / <sub>2</sub>	2 <sup>1</sup> / <sub>2</sub>	2 <sup>1</sup> / <sub>2</sub>	2 <sup>1</sup> / <sub>2</sub>
Sun Life .....	360,000	10	7 <sup>1</sup> / <sub>2</sub>	483a	457a	100b
Union Assurance...	180,000	100	40	16 <sup>1</sup> / <sub>4</sub>	15 <sup>1</sup> / <sub>2</sub>	16 <sup>1</sup> / <sub>2</sub>
				256	250	270

\*Practically a partnership. Shares have no face value.

†Original £25 shares divided into five of £5 each. ‡Old shares £25 each.

a Price of old shares. b Price of new shares.

#### THE SUN LIFE ASSURANCE COMPANY.

An examination of the annual report of the directors of the Sun Life for 1891, which we print on another page, will, we think, fully justify the expectations of its warmest friends, for it is an exhibit of gains all along the line where gains count for augmented strength. So far as volume of business is concerned, the very creditable record given in the directors' report of the previous year was improved to the extent of 375 more policies written, assuring \$1,296,904, and making a total for 1891 of new assurance written amounting to \$5,343,883. The new assurance issued and taken amounted to \$4,012,517. The assurance in force at the close of the year was \$19,425,412, represented by 12,611 policies, and showing an increase for the year of 1,345 policies assuring \$2,666,056. It will also be