

## NORTHERN ASSURANCE COMPANY, LIMITED.

The report for 1918, presented at the eighty-third annual meeting of the Northern Assurance Company, discloses results, described by the chairman as being the successful outcome of the progressive policy adopted by the "Northern" in recent years.

As one of the great British composite offices, occupying a most honourable position in the insurance world, its affairs continue to be directed with the same foresight, energy and prudence so characteristic of the Northern's past history. The magnitude of the Company's operations for 1918 is indicated by a total income of no less than \$30,609,405. The accounts for all the affiliated companies are for the first time included in the accounts submitted for 1918, the "Northern" having since the date of the 1917 Report, acquired all the shares of the Provident Accident & Guarantee Company, and all but 64 shares of the Indemnity Mutual Marine Insurance Company. The accounts of the "White Cross," the "National Guarantee" and Royal Scottish offices, embodied in the statement under review, were previously included in the Report for 1917.

### Fire Department.

The net fire premiums of the Northern for 1918 totalled \$9,562,065, being an increase of \$1,077,945, as compared with the preceding year. Accompanying this fire premium income, which was the largest in the Northern's history, was the most favourable loss ratio experienced by the company in recent years. The losses, which amounted to \$4,169,975, figure a ratio of 43.6 per cent. to premiums, as compared with 54.8 per cent. in 1917, 50.3 per cent. in 1916, and 51.4 per cent. in 1915. It will be remembered that the Salonica Conflagration was a factor in the Company's fire underwriting experience in 1917. It is interesting to note that the general average loss ratio of the Company since its commencement was 56-12 per cent. The expense ratio, including charges of every kind, was 34.8 per cent. as compared with 35.1 per cent. in 1917, 37.4 per cent. in 1916 and 37.8 per cent. in 1915. This unusually low expense ratio under present conditions is highly commendable. The fire underwriting profit of \$1,521,745 is more than \$500,000 better than the best of the Company's fire underwriting years in the past.

Policy-holders of the Northern enjoy unexcelled security. The reserve for unexpired risks continues to be maintained at the very high standard of 50 per cent. of the premium income, and now amount to \$4,781,030, an increase of \$561,245. The directors have increased the additional reserve from \$6,000,000 to \$7,000,000, so that the fire funds of the Northern, not including the balance of profit and loss account, amount to \$11,781,030. The total assets have advanced from \$54,724,460 to \$75,249,661.

In the marine department the most marvellous

development has taken place, as a result of the Company's progressive enterprise by the absorption of sound undertakings already referred to. The net premiums for 1918 amounted to \$15,098,535, and the losses and expenses for same period were \$4,507,070, while the losses and expenses for 1917 totalled \$6,700,715, and after making provision for all estimated further losses, the handsome underwriting profit (including interest) of \$2,790,688 was transferred to profit and loss. The marine funds at the end of the year totalled \$14,906,925.

The accident business of the Northern is becoming an important factor in its operations. Net premiums in this department for 1918 amounted to \$2,345,720, as against \$1,494,810 in 1917. This substantial growth in premiums is accompanied by an underwriting profit of \$522,025, after providing for losses and expenses. Cautious enterprise and able judgment so characteristic of the "Northern's" management in the past, is mainly responsible for its present commanding position among the largest insurance offices of the world.

### The Northern in Canada.

The Northern commenced operating in Canada in 1867 in the fire business, and during the long period of 52 years its career has been characterized by fair and liberal dealings with its policyholders throughout the Dominion. Considerable expansion is noticeable in recent years, under the management of Mr. G. E. Moberly. Net cash received for fire premiums in 1918 approached very close to the \$1,000,000 mark, an increase of over \$100,000 as compared with 1917. Like many individual companies' experience operating in Canada last year, the loss ratio was unsatisfactory for the Northern, figuring at a ratio of 66.37 per cent. Reference has already been made to the intention of the "Northern" to extend its operations in Canada to the business of accident insurance, and we understand that the necessary license has been already applied for at Ottawa.

### PERSONALS.

Mr. George E. Moberly, manager Northern Assurance Company, left for Winnipeg on the 9th instant, to meet Joint General Manager J. Robertson, who has been on this side for some weeks.

### THREE QUARTERS OF A BILLION GOVERNMENT INSURANCE AWARDED.

The United States Bureau of War Risk Insurance, which has charge of the Government insurance on soldiers, sailors and marines, has awarded three-quarters of a billion dollars of insurance claims, exclusive of all other claims or payments, since the first of January. The total awarded to date is rapidly approaching a billion dollars of insurance claims. War Risk Insurance is payable in monthly installments over twenty years, so that this means that about \$70,000,000 a year will go to the beneficiaries of the men and will extend to every State in the Union.