

THE ROYAL INSURANCE COMPANY.

It is eminently appropriate for the Royal Insurance Company to have achieved a success last year in its fire business which puts it ahead of other companies and beats its own record. The past year was a "Royal" year as not a few previous ones have been, for the company has quite a name for advancement in extent of business, and for profit making, the former of which results from, first, assiduous attention to the interests and promptly honouring the claims of policyholders, and secondly, from keeping the strength of the company and its advantages constantly under public notice.

The net premiums received by the fire department of the Royal last year were \$13,817,605 against \$12,548,605 in 1901. The net losses were \$7,231,880, which gives the loss ratio of 52.34 per cent. of premiums as compared with the net losses in previous year of \$7,424,400, which was a loss ratio of 59.19 per cent. The commission and expenses amounted to \$4,760,685, which is equal to 34.45 per cent. of the premiums. As the losses and expenses together made a total outgo of 86.79 per cent. of premium income there was left a trading surplus of premiums over claims and expenses of 13.21 per cent., which is the largest surplus ever realized in one year by the Royal, and has rarely if ever been exceeded by any other fire insurance company. In 1901 the premiums exceeded the claims and expenses by \$816,825, which was 6.47 per cent. of the premiums as against 13.21 in 1902. This favourable result enabled the fire fund to be increased by \$1,000,000, and \$825,535 to be carried to profit and loss account. The above refers to the whole business of the Royal, which does a fire underwriting business all over the world. The Royal last year considerably enlarged its premium income in Canada, the amount received having been \$981,856, as against the following record of previous years:—

1902.	1901.	1900.	1899.	1898.
\$981,856	\$814,149	\$639,260	\$613,660	\$583,260

The losses paid in same years are as follows:—

1902.	1901.	1900.	1899.	1898.
\$365,377	\$485,718	\$497,403	\$416,076	\$394,200

There was a happy combination in 1902 of the largest premium income and smallest amount of losses for many years. The fire fund of the Royal stands at \$5,640,000. The company's total assets amounted to 62,474,335. Such an institution is a pride to the Empire to whose commercial interests it has contributed invaluable services. In the last ten years the Royal has paid loss claims to extent of \$62,911,000.

The life department of the Royal in Canada has not been an entire year in operation, but already it has achieved enough to give promise of being a satisfactory success. The company offers no fanciful, misleading advantages. Its policy provides for a liberal and equitable arrangement to

protect a policyholder against forfeiture through non-payment of premium. Under this privilege any premium, after the second year, which remains unpaid, is advanced by the company from the reserve and the company continues the payment of all subsequent overdue premiums until the H. M. 3½ p.c. reserve is exhausted. This provision is embodied in the policy, therefore is part of the contract binding the company and is not variable at the caprice of a manager. The policy also has a written scale of loan, surrender values and paid-up insurance guaranteed under the policy commencing after payment of two years' premiums. Privileges as regards travelling and residence and other matters are on a liberal scale. The holder of a Royal life policy will know exactly how he stands, and he may rest assured that he is under as generous conditions as are compatible with absolute justice to both parties. In 1901 the Life department operated at an expense ratio to premium income of 13 p.c. and in 1902 this ratio was reduced to 12½ p.c. without diminishing the volume of business, notwithstanding the establishment of new branches. The undivided profits of the Life department now amount to \$2,875,155.

Mr. George Simpson, the well known and able manager of the company in Canada, is responsible for the Royal deciding to do an active life business in this Dominion, and we have no doubt his agents will give him their loyal support.

Mr. Simpson is very ably supported in the fire department by Mr. Wm. Mackay, and Mr. J. H. Labelle, 1st and 2nd assistant managers, and in the life department by Mr. Noel H. Torrop.

THE IMPERIAL BANK OF CANADA.

The Imperial Bank for some years has been expanding its resources and business very rapidly. As compared with 1897, the leading items in its last statement as laid before the shareholders at the annual meeting on 17th inst., stand as follows:—

	1903.	1897.	Increase.
	\$	\$	\$
Capital.....	2,983,896	1,963,600	1,020,296
Res.....	2,636,312	1,156,800	1,480,512
Circulation.....	2,584,326	1,337,738	1,246,588
Deposits.....	19,680,231	9,782,627	9,897,604
Discounts.....	14,647,194	7,638,219	7,008,975
Call loans.....	3,549,698	978,885	2,570,813
Profits.....	482,128	189,196	292,932
Dividend.....	10 p. c.	9 p. c.	1 p. c.

The increases alone would provide business for a fair sized bank.

The net profits last year were \$482,128. There was \$411,312 received for premium on new stock issued, and \$83,495 was brought from previous year. These amounts aggregated \$976,935, the disposition of which was as follows: two half-yearly dividends of 5 per cent. each, took \$285,237, to the reserved fund account there was transferred \$511,312—\$411,