

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE UNION BANK OF CANADA

In accordance with the provisions of sub-sections 19 and 20 of Section 56 of the Bank Act, we report to the Shareholders as follows:—

We have audited the above Balance Sheet with the books and vouchers at Head Office and with the certified returns from the branches.

We have obtained all the information and explanations that we have required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In addition to our verification at the 30th November, we have, during the year, checked the cash and verified the

securities representing the investments of the Bank at its chief office and principal branches and found them to be in agreement with the entries in the books of the Bank relating thereto.

In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Bank, according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

T. HARRY WEBB, E. S. READ, C. R. HEGAN,
Auditors.

of the firm of Webb, Read, Hegan, Callingham and Company, Chartered Accountants.

The Imperial Guarantee & Accident Insurance Company of Canada

Directors' Eleventh Annual Report for the Twelve Months Ending Thirty-first December, Nineteen Hundred and Fifteen.

The Directors have much pleasure in submitting to the Shareholders their Eleventh Annual Report for the twelve months ending December 31st, 1915.

BUSINESS: The Company issued 12,670 policies for insurance of \$32,844,860.00. The premiums thereon amounted to \$260,377.22. The interest earnings amounted to \$17,145.20, being an increase of \$1,006.37.

ASSETS AND LIABILITIES: The Assets of the Company now amount to \$421,634.85, while the Liabilities are reduced and substantial Reserves provided for all contingencies.

SURPLUS: The Contingent Reserve Fund now amounts to \$15,000.00, and the surplus to policyholders is \$277,888.94, which, together with the uncalled subscribed Capital of \$800,000.00, makes the available security for all contracts \$1,092,888.94.

We are pleased to report that the extension of Workmen's Compensation legislation in the several Provinces of the Dominion does not directly affect the business of the Company, for the reason that our operations have been confined to Personal Accident, Sickness, Fidelity Guarantee, Plate Glass and Automobile Insurance.

The Certificate of the Auditors is appended to the Financial Statement as to the audit of the Company's affairs.

HERBERT C. COX,
President.

Toronto, January 14th, 1916.

Statement for Year Ending December 31st, 1915.

PROFIT AND LOSS ACCOUNT.

Dr.	
To Claims, Commission and Expenses.....	\$235,538.78
" Reinsurance and Refunds	19,452.32
" Reserve for Unearned Premiums, December 31st, 1915	94,620.76
" Amount added to Contingent Fund Reserve..	5,000.00
" Dividends paid January 1st and July 1st, 1915	12,000.00
" Dividend payable January 1st, 1916.....	8,000.00
" Balance	77,888.94
	<u>\$452,500.80</u>

"The Manheim Insurance Company, of Germany, pursuant to His Majesty's proclamation, has been granted no renewal of its license to carry on an insurance business in Manitoba, and the deposit, amounting to \$45,605, in the

Cr.	
By Balance Profit and Loss, December 31st, 1914	\$74,460.27
" Less Market Value of Bonds and Debentures under Book Value	2,340.80
	<u>\$ 72,119.47</u>
" Premiums	260,377.22
" Interest	17,145.20
" Reserve for Unearned Premiums, December 31st, 1914	102,858.91
	<u>\$452,500.80</u>

BALANCE SHEET.

Assets.	
Bonds and Debentures, depreciated value.....	\$295,435.50
Real Estate	1,324.93
Loans on Mortgages	10,500.00
Accrued Interest	1,622.52
Outstanding Premiums (Reserve on same included in Liabilities)	41,278.15
Other Assets	11,332.38
Cash in Savings Bank bearing interest.....	51,330.74
Cash in Banks and on hand.....	8,811.53
	<u>\$421,634.85</u>
Liabilities.	
Government Reserve for Unearned Premiums.....	\$ 94,620.76
Reserve for Filed and Unfiled Claims.....	23,248.88
Contingent Reserve Fund	15,000.00
Sundry Accounts	2,876.27
Dividend payable January 1st, 1916	8,000.00
Capital Stock Paid	\$200,000.00
Surplus over all Liabilities.....	77,888.94
	<u>\$277,888.94</u>
	<u>\$421,634.85</u>

AUDITORS' CERTIFICATE.

We have audited the accounts of the Imperial Guarantee and Accident Insurance Company of Canada for the year ending December 31st, 1915. We have examined the securities and verified the Cash and Bank Balances, and we certify that the above Balance Sheet shows the true position of the Company at that date.

CLARKSON, GORDON & DILWORTH,
Chartered Accountants.

Toronto, January 14th, 1916.

hands of the provincial treasurer, is being retained. I would recommend this deposit be confiscated," states Mr. A. E. Ham, provincial superintendent of insurance, in his annual report.