

THE EMPLOYERS'

LIABILITY ASSURANCE CORPORATION, LIMITED

LONDON, ENGLAND.

DIRECTORS' REPORT, 1907

The Directors submit to the Shareholders their Twenty-sixth Annual Report, together with the Audited Accounts to 31st December, 1906.

The effect of the New Issue of Shares is that the Paid-up Capital has been raised from \$750,000 to \$1,000,000. Credit has been taken in the Balance Sheet for \$687,500, the premium on the New Shares, and the same amount is stated per contra as part of the Reserves in accordance with the Resolution of the Shareholders of 26th November, 1906.

The premiums for the year are \$3,955,960 against \$3,594,270 for the year 1905, an increase of \$361,690.

The balance of this year's account is \$3,416,885. Out of this amount the Directors have already paid an interim dividend of 50c. per share, and now recommend a further dividend of \$1.50 per share (free of Income Tax), making together a dividend of 20 per cent. for the year on the Paid-up Capital. This will absorb \$150,000, leaving \$3,266,885 to be carried forward.

The following Directors, Lord Claud Hamilton, Mr. H. Chapman, C. E., and Sir Philip H. Waterlow, Bart., retire, and, being eligible, offer themselves for re-election.

In accordance with the resolution of the Shareholders, Messrs. Welton, Jones & Co. have audited the Accounts now submitted and offer themselves for re-election for the ensuing year.

By order of the Board,

S. STANLEY BROWN,

General Manager and Secretary.

14th February, 1907.

Revenue Account—1st January, 1906, to 31st December, 1906

BALANCE OF LAST ACCOUNT—

As per last Report	\$3,115,609
Less Dividends for 1905	150,000
	\$2,965,609

REVENUE OF THE YEAR—

Premiums, less Bonus and Returns to the Assured and Reassured	\$3,955,962
Interest and Rents	171,524
Transfer Fees	162
Profit on Exchange	10,612
Bad Debts (recovery)	25
	\$4,138,285

REALIZED PROFITS ON INVESTMENTS .. \$ 17,515

HAMILTON HOUSE REDEMPTION FUND

INVESTMENT:—	
Interest	1,041
(\$5 taken as the equivalent of £1 stg.)	
	\$7,122,450

CHARGES AGAINST REVENUE OF THE YEAR—

Directors' and Auditors' Fees ..	\$ 26,050
Salaries, Pensions and House Expenses	65,762
Rent and Rates	12,974
Taxes (Home and Foreign)	69,385
Advertising	14,971
Books and Stationery	36,243
Legal costs and Professional Fees	6,083
Branch and Agency Office Charges	24,725
Postage and Parcels	1,787
Travelling and Inspection	23,497
Total Expenses	281,477
Commission and Losses paid and outstanding	3,420,447
Furniture and Repairs	3,637
	\$3,705,561

BALANCE OF THIS ACCOUNT .. \$3,416,889

\$7,122,450

Dr.

Balance Sheet, 31st December, 1906 -

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SHAREHOLDERS' CAPITAL—

100,000 Shares \$50 each. \$5,000,000

TO CAPITAL CALLED UP—

100,000 Shares \$10 per Share	1,000,000
Less Calls unpaid	1,670
	\$98,330

Amounts due to other Companies	23,243
Outstanding Liabilities, including Commission	587,960
Branch and Agency Balances	482

RESERVES—

For Outstanding Losses	\$1,135,864
Premium on New Shares	687,500

Revenue Account—Balance, \$3,416,889	
Less Interim Div., 1906	37,500
	\$3,379,389
	\$5,202,753

\$6,812,768

BY INVESTMENTS—at Cost—

Colonial Government Securities	\$ 316,085
Foreign Government Securities	953,404
Foreign and Colonial Municipal Securities	823,730
Railway and other Debentures and Debenture Stocks	2,634,749
Preference and Ordinary Stocks and Shares	36,310
Hamilton House	\$334,081
Redemption Fund Investment	30,086
	\$ 364,167

Freehold Premises	22,020
Loan on Securities	30,000

\$5,180,465

Instalments on New Shares due in 1907	\$687,500
Less paid in advance in 1906	5,390
	\$ 682,110

Branch and Agency Balances	639,282
Amounts due from other Companies	160,000
Outstanding Premiums	152,910
Interest and Rents Accrued	59,695
Cash at Bankers	\$ 82,175
In hand	130
	82,305

\$6,812,768

CANADIAN BRANCH: Offices: Montreal—Toronto

Managers: GRIFFIN & WOODLAND