Liverpool & London & Globe Insurance Company

The Directors beg to submit to the Proprietors their Report upon the transactions of the Company during the year 1902.

FIRE DEPARTMENT.

The Fire Premium income for the year, after deducting the sums paid for re-insuring surplus risks, amounts to $9,768,150. The Losses, inclusive of full provision for all claims that had arisen up to the close of the year, amount to $4,981,540. The Account, after providing for Expenses, shows, without the addition of Interest, a surplus of $1,597,400, of which $300,000 has been left in the Fire Account, to increase the Fire Reinsurance Fund ,which now amounts to $4,000,000, in addition to the General Reserve of $6,500,000. The balance has been carried to Profit and Loss Account.

PROFIT AND LOSS ACCOUNT AND DIVIDEND.

During years prior to 1876, transfers were made from this Account to what appeared in the Balance Sheet as "The Investment Fluctuation Fund," principally to meet the fluctuations in the dollar of the United States of America, and for other purposes. The Fund now amounts to $975,340, and is much larger than present circumstances require. It has therefore been brought into this Account, and $375,000 transferred to a "Suspense Account," which has been opened to meet the purposes to which the "Investment Fluctuation Fund" has been applied. The sum of $2,757,000 has been carried to the Globe 6 per cent. Perpetual Annuity Account, making it $8,271,000, which at 3 per cent. will pay the Annuity of $248,130. Hitherto the Annuity has been paid out of the interest on the Fund of $5,514,000, and the interest earned on the balance of this Account. This transfer does not in any way diminish the interest available for the payment of dividend. The security in the hands of the Globe Million Trustees is not increased, but remains at $5,000,000, as provided by the Liverpool & London & Globe Insurance Company's Act, 1864.

This Account, with the addition of the interest earned on the Funds other than those of the Life Department, after deducting the amounts paid for the 6 per cent. Perpetual Annuities for 1902, leaves a balance of $4,172,020. It is proposed, out of this amount, to pay on account of the Fire Department a dividend of $8 per share, and out of the Life Profits carried for this purpose to this account at the end of the last Quinquennium, a Dividend of 75c. per share, making in all $8.75 per share, free of Income Tax. On the 22nd November last an interim payment of $3.40 per share was made on account, and it is proposed to issue warrants for the balance, viz., $5.35 per share, payable on the 22nd May.

FUNDS OF THE COMPANY.

The Funds of the Company now stand as follows:—

Capital (paid up)		$1,228,200
General Reserve Fund	$6,500,000	
Fire Reinsurance Fund	4,000,000	
Profit and Loss Account after payment of Dividend for 1902	3,066,640	
		13,566,640
Globe Perpetual Annuity Fund		8,271,000
Life and Annuity Funds		27,917,465

Balance Sheet, 31st December, 1902.

Liabilities.

Shareholders' Capital		$ 1,228,200
Life Assurance Fund—		
Liverpool and London and Globe	$18,410,010	
Globe	768,945	
		19,178,765
Annuity Fund—		
Liverpool and London and Globe	8,728,465	
Globe	10,290	
		8,738,755
General Reserve Fund	$6,500,000	
Fire Reinsurance Fund	4,000,000	
		10,500,000
Profit and Loss		3,742,150
Other Funds, viz.—		
Permanent Fire Policy Deposit Fund		307,515
Suspense Account		375,000
Globe Six per Cent. Perpetual Annuity of $248,130 collaterally secured by the Guarantee Fund of One Million Sterling, included in the enumeration of Assets in this Schedule, valued at	$ 8,271,000	
Claims under Life Policies admitted but not paid—		
Liverpool and London and Globe	181,365	
Globe	10,045	
Outstanding Fire Losses	801,345	
Other sums owing by Company—		
Dividends due and unpaid	14,870	
Amount owing to Fire Insurance Companies	419,620	
Current Accounts owing by Company	88,650	
Bills Payable	8,960	
		9,795,855
		$53,866,185

Assets.

LIVERPOOL AND LONDON AND GLOBE.

Mortgages on Property out of the U. Kingdom		$ 593,955
Mortgages on Property out of the U. Kingdom		4,621,790
Loans on the Company's Policies		727,555
Investments—		
In British Government Securities		597,260
U. S. Government and State Securities		1,702,340
United States Municipal Securities		1,650,380
Colonial Government and State Securities		1,947,450
Colonial Municipal Securities		709,395
Foreign Government and State Securities		581,869
Foreign Municipal Securities		162,275
Stocks and Shares of other Cos.	$ 333,225	
Bonds of other Companies	25,000	
		358,225
Railway and other Deb. and Deb. Stocks		14,029,275
Railway Preference Stocks		8,496,025
Railway Preferred and Ordinary Stocks (of which $27,520 is Ordinary)		585,910
House Property, including Offices partly occupied by the Company		5,917,350
Land		54,880
Ground Rents		173,375
Life Interests and Annuities	$2,560,125	
Reversions	301,120	
		2,861,245
Agents' Balances	$ 728,805	
Outstanding Premiums	1,417,095	
		2,145,900
Outstanding Interest, accrued but not due		378,660
Cash—		
On Deposit	$1,405,305	
In hand & on current ac. with Bankers	1,723,785	
		3,129,09[illegible]
Other Assets—		
Loans on Life Interests, Annuities, and Reversions	$ 440,715	
Loans on Railway and other Deb. Bonds, Shares and other Stocks	61,140	
Loans to Local Boards and Counties in United Kingdom	1,139,540	
Amounts owing to the Company	11,560	
		1,652,955

GLOBE.

Mortgages on Property within the United Kingdom	$ 68,750	
House Property, including Offices partly occupied by the Company	683,030	
Annuities, the property of the Company	37,255	
		789,035
		$53,866,185

STEAD, TAYLOR & STEAD,
Chartered Accountants.

LIVERPOOL, 21ST *April*, 1903.

Examined and found to correspond with the Books of the Company.

E. E. EDWARDS, }
EDWARD KEWLEY, } Shareholders' Auditors.