

## FIFTY-SIXTH ANNUAL REPORT

## The London Mutual Fire Insurance Co. of Canada

## DIRECTORS' REPORT

To the Shareholders and Members of the London Mutual Fire Insurance Company of Canada.

Your Directors herewith submit the Fifty-sixth Annual Statement and Balance Sheet, duly certified by the Auditor, showing the receipts and expenditures for the year as well as the Assets and Liabilities of the Company as at December 31st, 1915.

The Operations of the Company for the year 1915 resulted in a Profit of \$23,909.49 after providing for an increase of \$5,871.21 in the Re-Insurance Reserve as required by the Dominion Government.

The Re-Insurance Reserve now stands at \$354,061.24, the Cash Surplus at \$134,001.46, and the Capital Stock at \$17,500. The total Cash Security for Policyholders is, therefore, \$505,562.70, in addition to which there is the unassessed portion of Premium Notes which amounts to \$252,544.61, making a total Security to Policyholders of \$758,107.31, the total surplus to Policyholders being \$404,046.07.

Owing to the continuance of the War and the consequent demoralization of business conditions, the Government have

wisely thought it right to fix new standards of values, and the Directors have therefore further written down the Company's Securities to conform to the requirements of the Dominion Government. The total amount written off the Company's Securities during the past two years has been over \$44,000, but with the return of more normal times there is no doubt that a large portion, if not all, of this depreciation will be recovered.

The Retiring Directors are F. D. Williams, H. N. Cowan, and S. G. M. Nesbitt, all of whom are eligible for re-election. Your Directors desire to thank the Agents of the Company for their support, and they also wish to express their appreciation of the work of the field and office staffs during the past year.

All of which is respectfully submitted.

A. H. C. CARSON,

President.

Toronto, February 19th, 1916.

## FINANCIAL STATEMENT.

Assets.		Liabilities.	
Cash on hand and on deposit.....	\$ 50,045.93	Reserve for Unadjusted Losses .....	\$10,738.65
Bonds, Debentures and Stocks, Book Value (Based on Government Standard of Values as at January 1st, 1915) ..	\$312,455.41	Due for Reinsurance.....	5,795.25
Less amount written off to conform to Government Standard at 1st January, 1916 .....	18,380.52	Sundry Accounts Payable..	9,785.10
	294,074.89		\$ 26,319.00
Mortgages Receivable .....	21,377.50	Reinsurance Reserve, Full Government Standard .....	354,061.24
Call Loan .....	1,200.00		\$380,380.24
Agents' Balances .....	25,073.51	Capital Stock paid up .....	\$ 17,500.00
Due on Reinsurance .....	2,963.90	Surplus Account .....	134,001.46
Interest Accrued .....	5,762.87	Unassessed portion of Premium Notes.	252,544.61
	\$400,498.60		
Real Estate and Buildings \$166,576.22		Surplus to Policyholders .....	404,046.07
Less Reserve for Depreciation .....	2,553.88		
	\$164,022.34		
Less Mortgage Payable and Accrued Interest.	45,793.35		
	\$118,228.99		
Office Furniture and Good's Plans .....	\$ 25,197.02		
Less Reserve for Depreciation .....	12,697.02		
	12,500.00		
	\$130,728.99		
Prepaid Taxes, etc. ....	654.11		
Unassessed portion of Premium Notes .....	252,544.61		
	\$784,426.31		
			\$784,426.31
Expenditure.		Income.	
To Claims Paid and Outstanding....	\$320,757.89	By Gross Premiums .....	\$672,145.26
Less Reinsurance Recoverable....	47,230.58	Less Cancellations, Rebates and Reinsurance Premiums .....	193,115.24
	\$273,527.31		\$479,030.02
To Amount added to Reinsurance Reserve.....	5,871.21	By Transfer Fees .....	236.02
To Expenses, Commissions, etc. ....	190,473.23	By Interest and Dividends on Investments.....	14,515.20
To Profit on business of year 1915.....	23,909.49		\$493,781.24
	\$493,781.24		

Having audited the books of account of The London Mutual Fire Insurance Company of Canada for the year ending 31st December, 1915, examined the vouchers in connection therewith, and verified the securities, cash and bank balances, I certify that, in my opinion, the above Balance Sheet is a true statement of the Company's affairs as shown by the books at that date.

All my requirements as auditor have been complied with.

J. P. LANGLEY, F.C.A., Auditor.