ALLIANCE ASSURANCE COMPANY.

The Report of the Alliance Assurance Company presented to the shareholders at the Annual General Court held in London, on 8th inst., opens with a narrative of the circumstances under which the amalgamation was effected with the Imperial Life and Fire offices. As a record of a highly interesting event, it may be desirable for future reference to state the various steps of this event in their due sequence. Provisional agreements were entered into on 22nd January, 1902; these were confirmed by the shareholders of the three companies on 3rd February following, and the sanction of the High Court of Justice, as required by the Life Assurance Companies' Act, 1870, to the transfer of the undertaking of the Imperial Life Company to the Alliance was obtained on the 26th July, 1902. The laws and regulations of the Alliance were altered by special resolutions on the 2nd April, 1902, and on the 11th the Company was incorporated under the Companies' Acts, 1862 to 1900, as a Limited Company. As required by the Agreements referred to 250,000 new shares of £1 per share fully paid were created, each new share having the same right to dividend and assets as each original share. Of that number 187,500 shares were issued to the shareholders of the Imperial Fire office and 28,125 shares to the shareholders of the Imperial Life office, leaving 34,375 unissued. The Report shows that at the close of 1901 the Imperial Fire office had Investments and other Assets amounting to $9,418,390, and the Imperial Life office on 31st January, 1902, had assets to extent of $13,941,000.

The result of the amalgamation has been to raise the Alliance Assurance Company into the front rank in regard to extent of business and resources. The statements published on a later page in this issue furnish full information on these points. To exhibit the changes that have been effected the salient features in the Alliance report for 1901 are compared with the same features in the report for 1902 as follows (the sterling £ is converted into currency as equal to $5.):—

	1902.	1901.
	$	$
Capital paid up....................	3,828,125	2,750,000
Fire insurance fund..................	10,630,820	4,316,960
Total assets....................	53,097,330	29,477,690
Transferred to profit and loss from Fire Account, being underwriting profit..	1,327,525	415,825
Net Fire Premiums....................	4,649,950	2,743,300
Losses incurred....................	2,176,800	1,403,595
Ratio of losses to premium income.....	46.82 p.c.	51.16 p.c.

Probably the improved loss ratio is partially attributable to the "cleaning up" which accompanied the amalgamation, but in regard to this and to comparative expenses, one broken year's experiences are too narrow a basis for definite conclusions. The Canadian business last year had premiums of $147,381 against $105,469 in 1901, and $22,399 losses paid compared with $150,163 in previous year. Mr. P. M. Wickham had his responsibilities as manager of the Alliance enlarged by the changed conditions, but he is quite equal to the situation and has worthily won the confidence of Head Office. Mr. O. Morgan Owen, who made so favourable an impression during his visit to Canada, is one of the joint secretaries, and upon Mr. Robert Lewis devolved the task of General Manager and Secretary, a position for which he is eminently qualified.

FRATERNAL SOCIETIES.

We give below a few items from official reports for the year 1902, of a few of the leading Fraternal Societies. This will be supplemented a little later on by a table similar to that published by us in August last.

Name.	Total Income.	Expenses.	Rate of Expenses to Total Income.
	$	$	p. c.
Independent Order of Foresters..	3,354,421	755,188	22.51
Modern Woodmen of America....	6,466,309	636,087	9.84
Royal Arcanum..................	7,412,785	207,525	2.80
Knights of Honour..............	3,177,308	102,834	3.24
Knights of the Maccabees.......	3,712,708	386,942	10.43
National Union.................	1,910,362	117,270	6.14
Woodmen of the World.........	2,739,262	300,464	10.97
	28,773,155	2,506,310	ave. 8.71

The figures were obtained from the Preliminary Report of the Minessota Insurance Department.

THE MANCHESTER ASSURANCE COMPANY.

The 79th Annual Report of the Manchester Assurance Co. appears in full on a later page to which attention is invited. At the previous annual meeting reference was made to the management proposing to abandon business in certain unprofitable fields. This policy was carried out, the result being a reduction in the net fire premiums to extent of $484,600, leaving the premiums for the past year, $3,664,695. The relinquishment of business in areas which have proved unprofitable is a policy by no means agreeable, however necessitated, as it means disappointed anticipations, and the loss of much effort and outlay which were expected to yield good returns. The management is to be commended for taking this drastic course, the lack of courage to adopt which has been disastrous to some companies.

The income was supplemented by $69,040 from interest and dividends, and by $24,305 realized from profit on securities, after deducting amounts written off property account, the total income, therefore, was $3,758,045. The fire losses incurred were $2,213,970, the ratio of losses to net premiums being 60.4 per cent. The total expenditure being $3,593,860 against a total income of $3,758,045 left a balance of $164,185, out of which $114,975 was absorbed by the dividend to shareholders and interest on bonds,