

and that these figures, therefore, represent in reality but ten months' progress.

Household Branch.	
Applications to Dec 31..	531
Less declined & cancelled	15
	516
Add to Feb. 20.....	128
Total Policies, H.B.....	644
Amount insured..	
Dec. 31.....	\$301,485
Less cancelled..	1,200
	\$300,285 00
Add to Feb. 20.....	27,400 00
	\$327,685 00
Premium Notes on hand,	
Dec. 31.....	\$9,452 53
Add to Feb. 20.....	2,779 19
	\$12,231 72

Mercantile Branch	
Application to Dec. 31..	363
Less declined & cancelled	9
	354
Add to Feb. 20.....	134
Total Policies, M. B.....	488
Amount insured..	
Dec. 31.....	\$292,482
Less cancelled..	9,800
	\$282,682
Add to Feb. 20.....	100,000
	\$382,682 00
Premium Notes, Dec. 31...	\$18,446 24
Add to Feb. 20.....	7,963 80
	\$26,410 04
Total Policies in both Branches, Feb. 20	1,132
" Amount Insured do.....	\$710,967 00
" Premium Notes	\$38,641 76

It may be noticed, that many policies and applications have been cancelled and declined. Your Board, being resolved to leave nothing undone to guard against fraudulent or unsafe risks, have secured the services of a gentleman of experience and good judgment as Inspector of Agencies, who has been engaged in visiting those parts of the Province where property insured by this company is situated, to satisfy himself by investigation and enquiry on the spot, as to the character of the parties, and the nature and situation of such property, and to report thereon to the Board. The expense thus incurred will be more than compensated by the additional confidence gained, and the amount of losses saved to the Company.

Without desiring to make invidious comparisons, your Board may be allowed to point out, that this Company has secured in one year an amount of business very nearly or quite equal to an average obtained by other Mutual Insurance Companies, doing city and town business, at the end of from seven to thirty years. With several of those companies they are on terms of the most friendly intercourse, and hope to continue so, emulating mutually each other's energy, prudence and enterprise. Up to the 31st December last, no claim for loss had been presented to the Board, which will account for no entry appearing under the head of expenditure for fire claims. Since then, four claims have been sent in, amounting in all to \$1,912, two of which have been settled; the others are very recent, and have not been as yet investigated. To provide for the payment of these claims, and other expenses, which have been in the meantime disbursed partly out of receipts on Guarantee Stock, your Board have directed an assessment of two-ninths, (or say 22 2/9ths per cent.,) on premium notes held by the company, payable by each member at the end of twelve months from the date of his policy. With the proceeds of this assessment, aided, if necessary, by a further call on Guarantee Stock, together with the receipts for first payments on the present year's business, your Board hope that they have provided for their successors in office sufficient resources for maintaining the credit of the Company under all probable contingencies.

According to resolution of the general meeting of last February, application has been made to the Provincial Legislature for certain powers, which have been found necessary in consequence of the general state of confusion into which the law respecting Mutual Fire Insurance Companies has been thrown, by the crude attempts of successive legislators to patch up Acts of Parliament originally very well adapted to the wants of the country. At

the date of this report, our bill has passed through several of its stages, and will probably become law during the present session. For taking charge of the bill, and very kindly exerting himself to forward your interests in this matter, the Board have to acknowledge their indebtedness to the Hon. M. C. Cameron, Provincial Secretary, and M. P. P. for Toronto East.

Under the provisions of the above bill, when in force, one-third only of the directors will retire annually; but on this occasion the whole Board retires, and it devolves upon the meeting to elect their successors. The same gentlemen will, however, be eligible for re-election.

All which is respectfully submitted.

R. L. DENISON, *President*.
S. THOMPSON, *Managing Director*.
Toronto, Feb. 26, 1868.

The Chairman moved the adoption of the Report, which was seconded by Mr. Rowsell, and carried unanimously.

On the motion of Dr. Riddell, seconded by Mr. Fleming, 3,000 copies of the Report were ordered to be printed for the use of members.

The meeting then proceeded to elect, by ballot, nine Directors in the place of those retiring, when Messrs. R. L. Denison, Jas. Fleming, S. Thompson, D. Thurston, A. T. McCord, A. A. Riddell, John Paterson, H. Rowsell, and H. S. Howland, were declared duly elected.

Votes of thanks to the retiring officers were then adopted, and the meeting separated.

At a subsequent meeting of the Board of Directors, R. L. Denison, Esq., was elected President; A. T. McCord, Esq., Vice-President; and S. Thompson, Esq., Managing Director. The Board of Directors meet regularly, for the transaction of business, on the third Thursday in every month.

Treasurer's Statement of Receipts and Expenditure, December 31st, 1867.

RECEIPTS.	
Cash received on 1st payments on Premium Notes:	
Household Branch.....	\$1,072 70
Mercantile Branch.....	1,778 18
	\$2,850 88
On Sundry Accounts.....	69 33
Re-Insurances.....	298 94
Guarantee Fund.....	481 13
Charges.....	4 00
	\$3,719 28
EXPENDITURE.	
Preliminary Expenses.....	\$29 54
Printing, Stationery, and Advertising ..	507 61
Bill Stamps and Postage.....	100 63
Legal Expenses.....	66 00
Petty Expenses.....	11 08
Rent and Taxes.....	41 75
Commissions.....	1,637 20
Office Furniture.....	60 63
Directors' Fees.....	69 33
1st Payments on Re-Insurances.....	211 14
Salaries.....	508 92
Returned Premiums on Policies cancelled or declined.....	53 43
Cash in hand and in Agents' hands.....	422 02
	\$3,719 28

H. HANCOCK, *Secretary & Treasurer*.

Audited this 26th February, 1868,
JOHN MAUGHAN, *Auditor*.

Statement of Assets and Liabilities—December 31st, 1867.

ASSETS.	
Cash in hand and in Agents' hands.....	\$422 02
Premium Notes liable to Assessment.	
Household Branch.....	\$9,452 53
Less 1st payments.....	1,092 70
	8,359 83
Do. do.	
Mercantile Branch.....	20,101 39
Less 1st payments.....	1,778 18
	18,323 21
Office Furniture and Sundries.....	130 63
	\$27,225 69
LIABILITIES.	
Receipts on Guarantee Stock.....	\$481 13
Directors' Fees.....	381 67
Printing.....	204 64
Salaries.....	332 63
Legal Expenses.....	83 59
Re-insurance Premiums.....	83 39
Liabilities an account of re-insurance.....	2,760 82
	\$4,327 87
Balance of Assets over Liabilities.....	22,897 82
	\$27,225 69

THE ETNA (OF DUBLIN) FIRE INSURANCE CO. (LIMITED).—The following is the directors report for the year ending 31st December, 1867:

The directors have the pleasure to submit to the shareholders their second annual statement of the accounts of the company, made up to 31st December last, which have been duly examined and verified by the shareholders' auditors. As proposed in last report, one-tenth of the preliminary expenses, amounting to £41 17s. 2d., has been charged against the year's accounts; and furniture appears as an asset, minus an amount written off for depreciation. The amount of business transacted during the past year shows an increase of nearly 450 per cent on the previous year; the income is £28,854 2s. 4d. as against £6,480 14s. 10d. This increase of business is, of course, exclusive of a very large amount rejected on account of extra hazard, or involving the retention of too much on one individual risk, or the doubtful character of the business offered. The directors have to report, with satisfaction, that the losses by fire amount only to £9,343 5s. 6d., including £4,000 estimated for unsettled losses, which, as against £28,854 2s. 4d. premiums, is under 35 per cent. of income; but they would respectfully guard the proprietors from anticipating such continued immunity, as the losses in some of the principal fire companies has been exceptionally heavy for some years past. Your directors are pleased to be able to report to you that your capital is intact, and that there remains a clear profit on the year's transactions, after payment of all charges, losses, commissions, salaries, advertising, &c., of £7,533 8s. 1d., which, with balance from last year, shows a net profit of £9,006 8s. 9d. to 31st December last. The marine business has still been avoided, as the directors think it more prudent to confine themselves to the more effectual development of the fire department; nevertheless, should a favourable opportunity occur they will not hesitate to take a step in that direction, should it upon mature consideration be deemed advisable. The directors recommend a dividend of ten per cent., free of income tax, for the year just ended, upon amount paid by shareholders on foot of calls, and the balance of profits to be apportioned as follows:—£2,000 to reserve fund; £1,000 to bonus fund, and the balance after payment of dividend to next year's accounts. During the past year, in accordance with a desire expressed by the proprietors at the last meeting, the directors made the necessary arrangements to carry on business in the Dominion of Canada, with the head office in Montreal, where policies are at once issued and claims adjusted. The manager there has had very great experience, and up to the 31st Dec. last had done a very large amount of, it is believed, first class business. Agents have also been appointed in Homburg, Amsterdam, Sydney, Japan and other places abroad. In opening these agencies the directors have looked most carefully into the character of each representative. As the agencies are comparatively new, no great results have yet been manifested. During the past year the directors negotiated for the transfer of the fire risks of the European Assurance Company and its fire agencies, and concluded a most satisfactory bargain, which, to this date, shows a considerable gain.

The Report concludes with some general remarks which are not of much interest here.

The Chairman in moving the adoption of the Report remarked in reference to revenue account, that the expense of their agencies amounted to £727 8s. 8d. which might appear large, but was not out of proportion to the business done during the year. The income last year was £6,506, and this year £28,854. The losses by fire he stated at £5,343 5s. 6d., and there was an amount of £4,000 for losses by fire not fully ascertained on the 31st Dec. last, which they thought they ought to charge because they considered it best to take every contingency into account. The balance to the credit of profit and loss was £9,006 8s. 9d., which would be disposed of in the payment of dividend, and by apportionment to the reserve and bonus funds. The debts due to the Company were large, but they were principally by agents in Sidney, Montreal and other distant places, whose accounts it was not possible to