the very lowest rates in use by Mutual Companies, no larger note being asked of any man than will safely cover the risk incurred; contrary to the old practice, which required premium notes four or five times as heavy, which could only be necessary when the Company's operations were limited to a single county, or perhaps two counties. The larger the Company's operations, the less will it need to demand sacrifices from its members.

In relation to the mercantile and household branches, it is a source of much gratification to your Board that the small proportion of losses by fire has enabled them to deduct the amount of the first cash payment from the first or second year's assessment, instead of from the third, as originally proposed. While the losses of other Companies doing town and village business have exceeded an average of $4 per policy, our own average has fallen considerably under that sum; which is no doubt owing to the fact, that every risk taken in these two branches is personally inspected, sooner or later, by a Director, or officer of the Company—a precaution which has saved us many claims. A much larger business might easily have been done had your Board been less careful in the selection of risks; they have, however, not only rejected all specially hazardous buildings, but in the case of taverns and tenanted country stores, have declined to insure property to more than half its value, which most Insurance Companies would readily insure for a much larger sum.

Some futile attempts have been made by agents of other Companies to create a prejudice against this Association, because, instead of demanding cash in advance from all our members, we have taken advantage of the statute which empowered us to form a guarantee fund, for which, of course, we pay a reasonable interest, and are thus enabled to defer our farm assessments until a season most convenient to the hard working farmer.

Ten cents per annum is the outside expense that any member is put to on this account, and even this trifling charge will become unnecessary after a while. Very few farmers will think this sum ill-spent, in securing themselves against loss by fire for the many months during which we wait patiently upon their convenience.

It should be mentioned, that in consequence of the termination of the fiscal year having been fixed for the 31st of December, the receipts and expenditure of the Farmers' Branch herein detailed, cover a period of thirteen months; while these of the Mercantile and Household Branches extend to twelve months only.

The union of the Companies had been in force for six months only prior to the 1st January of this year; it would be impossible, therefore, to present the accounts of the several branches in a form which could be easily understood. New books of account have been opened, with a view to supplying all such information next year with entire accuracy and clearness.

At the close of the year 1869, a special assessment on all premium notes then in force in the Beaver Mutual Fire Insurance Association, was ordered to be levied, with a proviso that it should not be collected until the end of the second year of each policy. Farm policy-holders receiving notices of this assessment during the current year will bear this in mind, and understand that the special assessment was made to cover extra losses incurred during the year 1868.

The retiring directors for the present year are: Messrs. R. L. Denison, J. H. Cameron, O. Blake, H. Rowsell, and D. Thurston. Under the resolution of last year, reducing the Board to twelve members, four directors, or one-third of the board, should on this occasion be chosen for three years, and one for two years. The same thing will happen next year, after which four directors will be elected annually.

The appointment of Honorary Directors will be a part of your privilege to-day.

All of which is respectfully submitted.

(Signed) C. E. CHADWICK, *President.*
S. [illegible], *Managing Director.*

March 15, 1870.

Statement of Receipts and Expenditure for the year ending Dec. 31, 1869.

RECEIPTS.

Balance of cash in hand and in bank, Nov. 30, 1868		$463 71
Cash received on premium notes and assessments (less agents' commissions)	$28,386 01	
Do. cash premiums	3,921 17	
Do. in Agents' hands	5,704 51	
		38,011 69
Guarantee stock		413 00
		$38,888 40

EXPENDITURE.

Fire claims paid		$19,859 09
Deposit repaid		102 00
Expenses:		
Travelling expenses	$366 77	
Auditing accounts	70 00	
Rent and taxes	572 36	
Postages	888 57	
Advertising, printing, and stationery	483 48	
Writing policies, &c.	529 47	
Legal expenses	820 17	
Parliamentary expenses	156 73	
Office expenses and repairs	540 70	
		4,427 25
Provident L. A. & I. Co.		110 99
Reinsurance premiums		194 86
Reward for prosecuting incendiary		50 00
Salaries		6,064 32
Directors' Fees, including their travelling expenses		1,476 10
Interest on guarantee stock		239 69
Bills payable		2,184 23
Office furniture		306 50
Interest		1,476 17
Balance in hand and bank		2,397 20
		$38,888 40

Examined and found correct,

GEO. B. HOLLAND,
HENRY PELLATT,
Auditors.

Toronto, March 16, 1870.

Statement of Assets and Liabilities, 31st Dec. 1869.

CASH ASSETS.

Cash in hand and in bank		$2,397 20
Short date notes for first payments, and cash in Agents' hands		8,448 89
Balance of Assessments, up to 1st January (chiefly paid since), Farmer's Branch		16,544 11
Do. Mercantile Branch		9,074 65
Do. Household do.		5,709 75
Sundries		354 40
		$42,529 00
OTHER ASSETS.		
Premium Notes liable to assessment:		
Farm Branch	93,506 87	
Mercantile do.	60,772 01	
Household do.	29,494 62	
	$183,773 50	
Assessments thereon	83,024 40	
Balance unassessed		100,749 10
Office furniture		724 43
Total Assets		$144,002 53

CASH LIABILITIES.

Bills payable, including Fire claims, since paid at maturity		$25,255 74
Fire claims since settled		3,174 76
Directors' fees, and Interest payable 1st January, 1870		1,187 34
		$29,617 84
OTHER LIABILITIES.		
Guarantee Stock paid up	$6,407 61	
Premium Notes for Re-insurance	6,756 43	
		$13,164 04
		42,781 88
Balance of Assets over Liabilities		101,220 65
		$144,002 53

The Fire Inspector's Report was also read, after which the Chairman, with a few remarks expressing his entire satisfaction with the condition of the affairs of the Company, moved the adoption of the Report of the Board, which was carried unanimously.

Messrs. Holland and Pellatt were re-appointed auditors.

The meeting then proceeded to the election of Directors, when the retiring Directors, Messrs. R. L. Denison, H. Rowsell, D. Thurston, and O. Blake, were re-elected for three years, and the Hon. J. H. Cameron for two years.

The following gentlemen were elected as Honorary Directors, viz:—Hon. G. Bryson, Pontiac; W. H. Berry, Esq., March; Jas. Dryden, Esq., Whitby; J. Higginson, Esq., W. Hawkesbury; H. S. Howland, Esq., York; T. D. McConkey, Esq., M. P., Barrie; J. McDermott, Esq., Wallace; Hon. J. Simpson, Bowmanville; Thos. Bowers, Esq., Chinguacousy.

Votes of thanks were then moved and carried to the President, Vice-President and other officers, after which the meeting adjourned.

The Board of Directors met immediately afterwards, when C. E. Chadwick, Esq., and D. Thurston, Esq., were re-elected President and Vice-President of the company.

Insurance.

FIRE RECORD.—Oshawa, March 13.—A most disastrous fire broke out in the rear of the brick store occupied by W. T. Atkinson, druggist, &c., adjoining the grocery store of Steele Bros., which was totally destroyed, with all the stock and furniture of Mr. Atkinson, who resided on the premises. The adjoining stores to the West, which were frame buildings, occupied by J. A. Gibson, stationer, &c., and W. F. Cowan, tailoring department in connection with his dry goods establishment, but most of the contents were saved, though in a damaged condition. It was feared that the main portion of Cowan's store, which was brick and that of Steele Bros., would also be sacrificed, but owing to the streneous exertions of the fire brigade and a large number of the inhabitants, they were saved. In consequence of the inadequate supply of water, the fire engine was of little service. Total loss about $15,000, partially covered by insurance. The fire was caused by a defective flue.

Meaford, March 14.—The hotel and stables of John Paul were consumed; insurance said to be $2,800.

Port Stanley, March 11, Henry Arkell's store, in this place, was destroyed by fire. In contained a large stock of dry goods and groceries, valued at $9,000 and insured for $4,200. Nearly all the shelf goods were saved, but in a damaged condition. The heavy goods and the contents of the cellar were destroyed. The building was owned by Mr. Weir, and uninsured. The fire was confined to the one building.

Lindsay, March 7.—After our issue of last week had went to press we received the following account of this fire:—On Sunday morning Kempt's Block, occupied by Mr. Gillies, dry goods merchant, and Messrs. Bertram Bros. hardware merchants, caught fire in Mr. A. Gillie's dry goods store. The fire engine was quickly on the spot, but there was some delay in getting the hose in proper working order, during which time the flames made such headway that it was found im-