REPORT.

The directors beg to submit herewith statements showing the results of the company's business for the year ending 31st December, 1893.

The premium receipts show a considerable increase over those of the preceding year, and afford gratifying evidence of the growth in popularity of the company, while perhaps the most satisfactory feature of the accounts is the diminished ratio of expense at which the business has been conducted.

The general depression in trade throughout the entire continent, and the almost unprecedented financial stringency that prevailed for several months in the United States, have had a marked effect, as might naturally be supposed, upon the fire insurance business of 1893, and to these causes may be attributed, to a considerable extent at least, the large increase in losses which is shown in the returns made by all companies both in Canada and the United States. The total losses reported far exceed those of any year for the past twenty years, and although the losses incurred by this company are considerably in excess of what might be looked for in an ordinary year, it is gratifying to your directors to be able to point to the fact that its ratio of losses to premiums is considerably below the average loss ratio of all companies doing business in Canada, and will compare favorably with the general experience of companies in the United States.

It is also encouraging to note that during the closing quarter of the year the business showed a decided improvement over the preceding nine months, and, with the advanced rates that are now being obtained on many classes of risks, your directors feel warranted in anticipating more favorable results from the business of the current year.

SUMMARY OF FINANCIAL STATEMENT.

Total cash income	$1,369,702 40
Total expenditure, including appropriation for losses under adjustment	1,278,729 21
Balance	$ 90,973 19
Dividends declared	$ 46,748 87
Total assets	$1,392,249 81
Total liabilities	170,315 66
Surplus to policy-holders	$1,221,934 15

The president, in moving the adoption of the report, said that the statements presented, and which had been in the hands of the shareholders for the past week, would have enabled them to judge how the business of 1893 had turned out, and the financial condition of the company at the close of the year, but he felt it due to the shareholders, as well as to the directors, that he should add a few words as to the work that had been done during the term of office and the conditions under which the business had been carried on.

Before dealing with the statement itself, he thought it might be interesting to shareholders, to whom general insurance statistics were not accessible, to point out the general result of the fire insurance business for the year 1893, in the fields in which the company is operating, as shown from the returns which have already been published, for it was by a comparison of these with our own figures, rather than by any favorable or adverse balance that we might show in our accounts for one year, that the management of the company can best be judged.

He showed that the returns for all companies licensed by the Dominion Government proved that fire insurance in Canada had resulted unprofitably to the companies as a whole, the average loss ratio being about 75 per cent. of the premiums, while this company's losses in Canada had been under 65 per cent. In the United States, also, the statements of companies, as far as published, show that the transactions of the past year had resulted in a heavy loss to the companies generally; moreover, the statistics compiled of the total losses by fire on this continent showed that they amounted to upwards of $150 000,000, being some fourteen millions greater than 1892, and far in excess of those of any previous year.

In reference to the accounts now presented, the president pointed out that briefly speaking, they showed an increase of capital of $250,000 (as authorized at the last annual meeting of the shareholders); an increase in cash assets of $376,679; a handsome gain in premium receipts; a reduced expense ratio, and a loss ratio which, although larger than might be looked for in an ordinary year, must still be regarded as favorable when compared with the general experience of the past year; and further, that after providing for all outstanding losses and all other known liabilities, and for the payment of two half-yearly dividends at the rate of seven per cent. per annum, the company shows a surplus of $471,934 as against $427,7(9 at the 31st December, 1892. He felt also that they might further claim for the company, without fear of contradiction, that it stands well both with its agents and the insuring public, and one of the most gratifying evidences to the directors of this latter fact is the substantial gain in business in the city of Toronto, which, as the headquarters of the company and the centre of its influence, should, in the opinion of the directors, prove one of its chief sources of profit.

In conclusion the president expressed the high appreciation which the directors felt of the work done during the past year by the officers of the company and its agents throughout its extensive field of operation.

A vote of thanks was passed to the president, vice-president and directors for their services during the past year.

The following gentlemen were elected to serve as directors for the ensuing year: Geo. A. Cox, J. J. Kenny, A. M. Smith, S. F. McKinnon, Thos. Long, Jno. Hoskin, Q.C., LL.D., H. M. Pellatt, R. Jaffray, A. Myers.

At a meeting held subsequently Mr. Geo. A. Cox was elected president and Mr. J. J. Kenny, vice-president.

WELLINGTON MUTUAL FIRE INSURANCE CO.

The fifty-fourth annual meeting of the Wellington Mutual Fire Insurance Co. was held in the company's office, Guelph, on the 13th of February, at 2 o'clock, p.m. There was a considerable attendance of agents and members, but not such as there would have been had not the severe storm prevailed the night before, whereby the trains were all delayed.

The president took the chair, and called the meeting to order, and asked the secretary to read the director's report.

REPORT.

The directors have much pleasure in submitting the 54th general annual report for the year ending the 31st December, 1893, and they congratulate the members on the position of the company after passing through such a year of fires, to find that by careful and persevering work it is steadily progressing with its security unimpaired.

Total amount insured as per report of 1892	$4,555,362 70
Total amount insured as per this year's report, 1893	4,923,687 81
Showing an increase over 1892 of	368 325 11

Notwithstanding that during the year large reductions have been made on policies, on hazardous and extra hazardous risks.

The number of fires this year were seventy-eight against sixty-seven last year, destroying property so far as this company was liable to the amount of $34,100.62, which has all been paid with the exception of three small losses not yet adjusted, and also paid $2,044.04 off losses of the previous year.

The number of policies issued during the year were 2,105, being an increase over the year of 1892 of 271, making the total policies now in force, 4,457, covering property to the amount of $4,9 3,687.81, with assets, after deducting $11.980.31 for re-insuring cash policies, of $138,580.86, which they trust will meet with the approval of the members.

From the inspector's monthly reports the directors believe a great many of the losses could be avoided, if a little more care on the part of the insured was exercised, and they would call upon all the members to use every precaution in their power to stop the fire waste that has been so disastrous to the country during the year 1893, seeing it is a loss not only to the insurance companies but to the public at large.

The manager reports that the agents for the most part have looked well after the interests of the company, and are to be highly commended.

The financial statement for the year and auditors' report will be presented, also the inspector's summary of losses, with as far as could be obtained the cause of said fires, etc.

The retiring directors are Messrs. George Randall, John I. Hobson and Henry McNaughton, M.D., who are eligible for re-election.

All of which is respectfully submitted.

Income.

Balance as per statement, 31st Dec., 1892		$10,327 80
First payments on premium notes	$12,246 99	
Instalments on premium notes	17,907 35	
Premiums on cash system	17,230 23	
Carpenters' risks	42 88	
Interest	917 95	
Agents' balances of 1892	1,062 77	
Bills receivable of 1892	408 49	
Transfers	37 13	
Rent	100 00	
Re-insurance losses	2,000 00	
		51,983 79
		$62,311 59

Disbursements.

Losses of 1892, $2,044.04; of 1893, $32,861.62	$34,905 66	
Commission and bonus to agents	8 274 93	
Salaries, directors' and auditors' fees	5,365 20	
Legal expenses	315 16	
Fuel and light	17 75	
Investigation and adjustment of claims	350 55	
Travelling and inspector's expenses	500 18	
Stautory assessment and license fees	125 47	
Rent and taxes	312 40	
Printing, stationery and advertising	946 78	
Postage, telegrams and expenses	784 02	
Rebates, abatements and returned premiums	1,854 55	
Goads' plans and revision slips	74 96	
Reinsurance premiums	683 07	
		$54,510 68
By balance Bank of Com.	$6,698 73	
By balance on hand	1,102 18	
		7,800 91
		$62,311 59

Assets.

Debentures	$14,000 00	
Cash in Bank of Commerce	6,698 73	
Cash at head office	1,102 18	
Instalments to collect	838 06	
Bills receivable to collect	598 29	
Amount due by agents	1,487 24	
Office furniture	448 25	
Goad's plans	674 96	
Vault fittings, etc	400 00	
		$26,242 71
Premium notes, less first payments and instalments thereon		124.318 46
		$150,561 17

Liabilities.

Amount required to re-insure all current risks on the cash system	11,980 31
Total assets over all liabilities	$138,580 86

4,457 policies in force. Amount at risk $4,923,687.81.

AUDITORS' REPORT.

Your auditors have again examined the books, accounts and vouchers of the company, together with the cash statement of your secretary treasurer for the year ending 30th Dec., 1893, and they certify to the correctness thereof.

The balance in the Bank of Commerce to the credit of the company at the end of the year was $6,698.73, and the balance of the cash on hand at that time was $1,102.18, which sum has since been deposited in the Bank of Commerce to the credit of the company.

All of which is respectfully submitted.

(Signed) Thomas W. Saunders, Alex. Mackenzie, } Auditors.

Guelph, Jan. 23rd, 1894.

The adoption of the report was moved by the president, seconded by the vice-president, and carried.

On motion of Mr. J. J. Hobson, seconded by