

British America Assurance Co.

ANNUAL MEETING

THE fifty-ninth annual meeting of the shareholders of this company was held in the company's office, corner Scott and Front streets, Toronto, recently, the governor, Mr. John Morison, occupying the chair.

Among the shareholders present were: Messrs. Henry Pellatt, S. F. McKinnon, John Morison, George A. Cox, T. H. Purdom, William Adamson, Augustus Meyers, Thomas Long, A. M. Smith, Robert Thompson, J. J. Kenny, H. M. Pellatt, Robert Jaffray, Joseph Jakes, Thomas Walmsley, J. K. Niven, George Gamble, John Hoskin, Q.C., J. M. Brooks, Rev. Dr. Griffin, of Galt; William Ross, P. F. Ridout, P. H. Sims, P. Jakes, Walter MacDonald, W. H. Banks, F. G. Cox, E. J. Hobson, W. E. Fudger, E. G. Fitzgerald, Alfred F. Colby, Alex. Wills, and H. D. Gamble, the company's solicitor.

ANNUAL REPORT.

Mr. W. H. Banks, the assistant secretary, read the following:

The directors have pleasure in submitting to the shareholders the fifty-ninth annual statement, exhibiting the financial position of the affairs of the company, accompanied by the balance sheet for the year ending December 31, 1892, duly audited, from which it will be seen that the amount of business transacted during the year was \$312,589.25, as compared with \$765,037.71 for the year 1891, representing an increase in premium income of \$47,531.54, while the profit of the year's transactions amounts to \$27,442.67.

The aggregate destruction of property by fire during the year in Canada and the United States has been estimated at \$132,000,000, and it is to be hoped that the heavy loss resulting therefrom to the various companies will lead to measures which will place the business on a more satisfactory basis.

Your directors have to mourn the loss of one of their members in the death of Dr. Hugh Robertson.

The following members of the board have resigned during the year, viz., Messrs. John Y. Reid, John M. Whiton and John Morison, junior.

To fill the vacancies created by the decease of Dr. Robertson and the aforesaid resignations, Messrs. George A. Cox, A. M. Smith, S. F. McKinnon and J. J. Kenny have been elected directors of the company.

It is very gratifying to your directors to be able to testify to the efficiency, fidelity and active co-operation of the agents, special agents and office staff in guarding the interests of the company.

All of which is respectfully submitted.

JOHN MORISON, Governor.

ASSETS.

Bonds, stocks and other investments	\$676,333 37
Real estate	150,000 00
Office furniture, business maps, etc.	26,822 55
Agents' balances	117,316 94
Cash in bank	35,927 45
Cash in office	5 14
Interest due and accrued	9,160 25

\$1,015,570 70

LIABILITIES.

Capital stock	\$500,000 00
Losses under adjustment—	
Fire	65,009 39
Marine	1,371 86
Dividend No. 97—Balance	3,979 62
Dividend No. 93—	17,000 00
Balance	427,709 83

\$1,015,570 70

PROFIT AND LOSS.

Fire losses paid	\$409,345 53
unpaid	65,009 39
Marine losses paid	46,202 34
unpaid	1,371 86
Commissions and all other charges	259,203 52
Government and local taxes	20,319 96
Taxes, etc., on company's buildings	3,332 03
Depreciation in investments, etc.	11,533 49
Balance	27,442 57

\$844,566 57

Fire premiums	\$782,413 84
Less reinsurances	51,233 83
Marine premiums	\$104,260 66
Less reinsurances	22,851 42

\$1,409 24

Interest	26,147 94
Rent account	6,128 33

\$344,610 57

SURPLUS FUND.

Dr.	
Dividend No. 97	\$ 17,500 00
Dividend No. 93	17,500 00
Balance	427,709 83

\$162,709 83

Cr.	
Balance from last statement	\$135,267 26
Profit and loss	27,442 67

\$462,709 83

REINSURANCE LIABILITY.

Balance at credit of surplus fund	\$427 709 83
Reserve to reinsure outstanding risks	350,992 07

\$ 76,717 76

Net surplus over all liabilities

To the Governor and Directors of the British America Assurance Company:

GENTLEMEN,—We, the undersigned, having examined the securities and vouchers, and audited the books of the British America Assurance Company, Toronto, certify that we have found them correct, and that the annexed balance sheet is a statement of the company's affairs to December 31, 1892.

R. R. CATIRON,

R. F. WALTON,

Auditors.

TORONTO, ONT., February 7, 1893.

The adoption of the report was moved by Mr. Morison, and, in seconding it, Mr. J. J. Kenny referred to the changes which had taken place in the directorate of the company. He said that for some time past a number of the large shareholders of this company, as well as many gentlemen interested in the Western, had held the opinion that two companies transacting, as these two companies do, the same lines of business throughout the same extended territory, and having their head offices within a few doors of each other, might, by working in harmony, be of material assistance to each other. He pointed out that the business of a fire insurance company differs widely from that of most other financial and commercial institutions, inasmuch as one of the chief requisites of a fire insurance company is that it should possess facilities for reinsuring or placing with other companies such risks as its representatives may be able to control in excess of amounts which it is prudent for it to carry; so that by the interchange of excess lines, one company can materially aid another, while at the same time accommodating its own agents by accepting larger risks than it could otherwise do, and, as a matter of fact, the British America and Western have since the change in their relations, to which he had referred, exchanged more business in the past two months than they had done in the preceding five years. He also pointed out many other ways in which the business of the two companies might be conducted to mutual advantage, and, on behalf of the gentlemen connected with the Western, who have become interested as shareholders in the

British America, he desired to say that nothing was farther from their intention than that one company should be absorbed by the other, or that either should lose its identity as a distinct corporation. Their action in purchasing stock of this company and accepting seats at the board has been prompted rather by a desire to uphold one of Toronto's oldest financial institutions, and by a wish to perpetuate the time-honoured name of the British America, believing as they do, that, in the field of fire insurance on this continent, there is ample scope for the companies now engaged in it, and that both the British America and the Western will be materially strengthened by the community of interests now established between the two companies.

The report was adopted.

Mr. Geo. A. Cox then introduced a by-law providing for the increase of the capital stock of the company to \$750,000, by the issue of \$250,000 of new stock, at a premium of 15 per cent., or \$7.50 per share, to be allotted to present shareholders in the proportion of one share for each two shares held by them. He pointed out the necessity for a large capital for a company doing a extensive business, such as this transacts, owing to the fact that a large proportion of the assets was required for deposits with insurance departments in the United States, as well as in the Dominion of Canada, and the importance of the company having at all times sufficient available assets to meet any possible demands upon it, in order to command the utmost confidence. He pointed out, also, that after providing a fund which is considered ample for re-insuring or running off the business on the company's books, the statement presented showed a surplus of \$76,717.76 in excess of capital and all liabilities, so that he considered the price fixed at which the new stock would be issued was fair and reasonable. Intending subscribers might naturally inquire as to the prospects of a fair return on the investment. This was not an easy question to answer in any business, and particularly in that of fire insurance. The most conservative directorate, and the most able and judicious management, could not with safety make any predictions or promises as to the future, but he had had a statement prepared showing the results of the business of this company for the last twenty years. During that time the total income amounted to \$16,151,579.22; the losses and expenses to \$15,015,637.51; dividends paid to shareholders, \$798,140.66; or within a fraction of 9 per cent. per annum for the twenty years ending on December 31st, last, and he thought they might easily entertain the hope that the average results for the next twenty years may at least be equally satisfactory. He moved, seconded by Mr. S. F. McKinnon, the adoption of the by-law, which was carried unanimously.

A vote of thanks was tendered to the governor, deputy governor, and directors for their attention to the interests of the company during the past year.

Messrs. Henry Pellatt and J. K. Niven were appointed scrutineers, and the voting for directors to serve during the ensuing year was proceeded with.

The following gentlemen were elected:—Messrs. Geo. A. Cox, S. F. McKinnon, A. M. Smith, Thos. Long, John Hoskin, Robert Jaffray, Augustus Meyers, H. M. Pellatt, J. J. Kenny.

At a subsequent meeting of the Board, Mr. Geo. A. Cox was elected Governor, and Mr. J. J. Kenny, Deputy Governor, for the ensuing year.