

Gore District Mutual Fire Insurance Company.

The forty-first annual meeting of this Company was held in Galt, on Monday the 26th day of January. The President, Mr. James Young, occupied the chair, and Mr. R. S. Strong, Managing Director, read the following

REPORT.

The directors at the expiration of their term of office beg to submit the following statement of the transactions of the Company during the year 1879.

There have been issued 1987 new policies (not including renewals) and the total number in force is 4,589, insuring \$4,019,780.

The income from all sources was \$51,162.41 and the expenditure for losses paid expense of management, agent's commission, etc., \$66,662.5. From this it will be seen, that, taking into consideration our surplus of last year as well as this, a slight reduction in the rate of assessment might have been made—but your directors—carrying out the system of prudent management which they laid down for their guidance two years ago, have not thought it advisable to do so; but rather to create the reserve fund which the statute permits, feeling assured that this action on their part will meet with your approval, as it has done with that of our customers generally.

Reference to the statement of assets and liabilities will show that our surplus has increased very satisfactorily. The fact that we have been able to pay our losses and all other expenses, and, after giving you your insurance at a saving of 20 per cent. as compared with stock companies, and setting aside 50 per cent. of all cash premiums as a reinsurance fund, still have a cash surplus of \$11,056.67, should be sufficient to refute the statements of those who make it their business to decry Mutual Companies, and at the same time to confirm the opinions of those who maintain that mutual is the true principle of insurance, and that it only requires to be carried out with wisdom and integrity to be proved such.

The deposit with the Government has been increased to 16,000, and on July 1st will be still further increased.

In consequence of the cancellation and expiration of old policies and the refusal to renew others at former rates, the total volume of business is about the same as last year, but the number of new policies issued during the year just closed is 335 in excess of those issued in 1878, and the amount insured under them is \$418,915 larger than the amount written in that year. Your directors point with pleasure to this feature in the Company's business, as an evidence that the "Gore" not only maintains its good name with the public, but that its popularity is increasing.

During the year just closed, the Ontario Government appointed an Inspector of Insurance whose duty it is to examine into the condition of the various companies doing business in the Province, and report the same to the Lieutenant Governor. We anticipated

good results from this action; already some weak companies have been prohibited from doing business, and we think it will have the effect of preventing similar ones from starting. This will prove beneficial to solvent, loss-paying companies, as without doubt the plausible statements of the agents of the companies—established largely in the interests of a few officials—have had the effect in many cases of making parties dissatisfied with the rates which sound principles of underwriting render it necessary to impose.

We beg your careful consideration of each item of our expenditure, confidently believing that you will be satisfied therewith.

The law costs have been reduced to a minimum; the sum of \$21.19 only having been expended on that item.

The two unadjusted losses reported last year were both settled amicably; the claimant in each case accepting the sum first offered by the company.

We are pleased to be able to tell you that the losses of the year just expired, with one exception, involving a small sum only, have been satisfactorily adjusted.

The Inspector's report and the statement of receipts and expenditure in detail, and of assets and liabilities certified by your auditors are appended.

We regret to note the death of Mr. Adam Ker, one of your directors, during his term of office, whose usefulness as a member of this board his co-directors take this opportunity of recognizing.

We have much pleasure in stating that the attention bestowed upon the Company's affairs by the officers in charge is all that we could desire.

Signed,

JAS. YOUNG,

President.

R. S. STRONG, Secretary and Managing Director.

Galt, 26th Jan., 1880.

STATEMENT OF RECEIPTS AND EXPENDITURE.

RECEIPTS.	
Balance from 1878.....	\$70,188 32
Cash premiums.....	\$35,615 47
Assessments.....	24,863 21
Extra premiums.....	77 24
Transfer fees.....	39 44
Bills payable.....	8,400 00
Interest.....	547 06
	\$69,730 74

EXPENDITURE.	
Claims of 1878.....	\$ 2,075 00
Claims of 1879.....	30,601 37
Commission.....	5,347 36
Salaries.....	3,799 72
Law costs.....	31 19
Interest.....	262 61
Office postage.....	233 44
Agents' postage.....	144 56
Fruiting.....	38 65
Stationery.....	314 86
Telegrams.....	27 10
Unearned premiums.....	724 83
Travelling expenses.....	573 03
Office rent.....	130 00
Advertising.....	120 99
Incidentals.....	135 30
Re-insurance.....	547 09

Transfer fees returned.....	3 00
Auditors fees.....	80 00
Carriage.....	50 75
Bonus to agents on profitable balances.....	367 03
Directors fees.....	666 00
Government license.....	15 00
Contingent to claims.....	148 57
	\$13,989 88
Bills payable.....	8,158 44
Balance as per statement of assets and liabilities.....	14,956 35
	\$69,730 74

ASSETS.	
Cash in office.....	75 35
Cash in bank.....	2,846 88
Cash with Treasurer of Ontario.....	6,000 00
Agencies.....	5,690 35
Recoverable law costs.....	39 74
Office furniture.....	73 03
Mortgages.....	70 00
	\$14,956 35

Accrued interest.....	87 50
Assessments unpaid, due and not due.....	1,109 02
Assessments at 21 per cent. earned to 31st Dec. 1879.....	12,243 10
	\$14,399 62
	\$28,395 86

To balance being surplus.....	\$11,056 67
To premium notes.....	\$11,661 01
Less for assessment.....	36,729 31
	\$79,871 69
Total capital to meet losses.....	\$90,968 36

LIABILITIES.	
Claims adjusted, not due.....	958 00
Claims unadjusted.....	200 00
	\$1,158 00
Bills payable.....	3,225 76
Reinsurance with other companies.....	100 70
Interest accrued.....	7 00
	\$3,333 46

Fifty per cent. re-insurance cash premium policies.....	12,807 73
Balance.....	11,056 67
	\$23,864 40

Signed,
Wm. M. TORRING, } Auditors.
J. M. CAYERS,
Galt, 26th Jan. 1880.

To the President, Directors and members of the Gore District Mutual Fire Insurance Co.

Gentlemen,—We hereby certify that we have examined the Company's books for the year ending December 31st, 1879, having gone over all the receipts and expenditures, with vouchers, agents' accounts, claims against the Company settled, and still pending, the journal and ledger entries and bank account with cheques, also carefully inspected the premium note assets of the Company, and find the whole correct.

We would likewise take the liberty of stating that the method of book-keeping in use appears to us to leave little to be improved on, and its efficiency speaks highly for the qualifications and industry of the Company's officers here.

Wm. M. TORRING, } Auditors.
J. M. CAYERS,
Galt, Jan. 24th, 1880.