

SUMMARY.

At credit of profit and loss last report.....	79,919 49	
Deduct premiums on policies surrendered and cancelled.....	1,587 29	78,332 20
Add surplus as above	\$16,908 96	95,241 15

Invested as follows:

Cash in Merchants' Bank.....	\$12,278 56
Dominion Government and accrued interest.....	53,530 00
Corporation Stock and accrued interest.....	15,150 00
Bank stock.....	16,450 00
Sundry policy holders	3,332 59

\$100,741 15

Less required for outstanding claims.....	5,500 00	\$95,241 15
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BALANCE SHEET, 30TH DECEMBER, 1876.

M'chnts Bk \$	12,278 56	Life Losses..\$	5,500 00
Dom'n Gov- ernment.....	53,530 00	Profit and	
Bank stock....	16,450 00	Loss.....	95,241 15
Corporation Stock.....	15,150 00		
Sundry poli- cy holders.....	3,332 59		

\$100,741 15

\$100,741 15

We certify that the above is correct and in accordance with the books and vouchers.

(Signed.) D. MASSON,

T. M. BRYSON,

Auditors.

Montreal, 30th January, 1877.

It will thus be seen that in the Fire Department, while the Company had a very large business, and the amount of its receipts, from that department alone was \$245,058.47, the losses and expenses amounted to \$261,884.71, and left a loss for the year of \$16,826.24. The losses in the city of Montreal bore a very small proportion to those outside the city, and are mainly due to the conflagrations already alluded to.

The Guarantee Department was fairly profitable, leaving a surplus of \$7,879.24, and the Accident Department left also a fair return (\$2,772.80).

The financial statement for the year shows a net profit of only \$5,126.15, which has been put to the credit of profit and loss, and leaves the amount at credit of that account \$82,128.46.

The Life Department remains very much in the same position that it was last year. The Directors feeling an anxiety to know exactly the position of this department, obtained from the Honorable Elizar Wright, of Boston, who is considered one of the best actuaries in this Department in the United States, an estimate of the probable value of the Company's business, and they have received from him a statement showing that at present there is a surplus value of \$15,469.22, independent of capital, which, under the circumstances, is extremely satisfactory. The accounts and funds of this Department are now, under Act of last session of Parliament, kept entirely separate from those of the other departments.

The Directors propose applying to Parliament in the ensuing Session for an amendment to its Act in some small matter of detail, the great increase of the Company's business requiring a different arrangement, which can only be done by getting the authority of Parliament. The Directors who retire at this time are Sir Hugh Allan, J. L. Cassidy, Esq., and Robert Anderson, Esq., all of whom are eligible for re-election.

The accounts of the Company's business have been duly audited and certificated, a statement of which has been placed on the table for the inspection of the shareholders. The whole respectfully submitted.

The CHAIRMAN—I move the adoption of the report, and will be glad to hear any remarks that may be made by any of the gentlemen present, and to give information to any one who desires to have it.

Mr. G. F. C. SMITH—It appears very generally desired that the statement should go to the shareholders before the meeting. I am sure we should all be glad to have it so, and we could then ask what question we thought necessary.

The CHAIRMAN—So short a time elapsed between the closing of the books and the annual meeting that it could not be done this year. We must in future either alter the date of the closing of the books or the date of the meeting. The books must be closed earlier or the meeting postponed to a later date.

Mr. SMITH—Might not the date of the meeting be changed?

The CHAIRMAN—I find that the meeting could not be changed, as the date of this is fixed by law.

Mr. HENRY LYMAN—It occurs to me, Mr. Chairman, that as we are going to apply to Parliament for changes in our arrangements, there would be no difficulty in postponing the date of our annual meeting to a later period in the year; but I think it desirable that the year should be the end of our business and that our accounts should be closed on the 31st December. I would like to make a few remarks regarding the statement shewing the losses in the country; they amount to \$154,758, and in the city to only \$12,652. We have received the sum of \$75,000 for premiums and the loss about \$12,600. The St. Hyacinthe loss amounted to \$34,133; that at St. Johns to \$41,105; as you perceive, these losses amount to a very considerable sum; at Quebec the loss was \$8,064. With the omission of these it will be seen at once that our year would not have been so disastrous, the losses suffered in other places not being above the average. With the exception of these places mentioned, our losses were no greater than what, under ordinary circumstances, we should have had to complain of. The hard times had a good deal to do with the losses of this Company. There is no doubt but that the fire at St. Hyacinthe was the work of an incendiary, who has been found guilty before a Court of Justice and sentenced to punishment. The fire at St. Johns also took place when the extinguishing apparatus was not in a condition for use. Of course it is a good lesson to the Company, and will teach them the danger of accepting insurances in places where there are no applicable means of extinguishing a conflagration. I think it demands the attention of the Board to examine all applications for insurance from these unprotected places.

Hon. D. A. SMITH—The rate for premiums in St. Hyacinthe was, I presume, very much larger than those of protected places.

The CHAIRMAN—They were larger, but not much.

After some further discussion, in which the Hon. D. A. Smith, G. W. Simpson and others took part, the report was adopted, and the three retiring directors, Sir Hugh Allan, J. L. Cassidy, Esq., and Robert Anderson, Esq., were re-elected.

At a meeting of directors held subsequently, Sir Hugh Allan was elected president and Adolphe Roy, Esq., vice-president.

VICTORIA MUTUAL INSURANCE CO.

ANNUAL REPORT.

The annual meeting of the Victoria Mutual Fire Insurance Company took place Tuesday, the 30th ult., at the head offices in Hamilton. A large number of shareholders were present, amongst whom we noticed Messrs. A. T. Wood, M. P., J. Rymal, M. P., Lewis Lewis, John Mitchell, Peter Balfour, E. V. Whipple, Geo. Sharp, Dennis Moore, T. L. Mellowraith, George Morrison, Thaddeus Ghent, Dr. Billings, G. H. Mills, Alderman K. Fitzpatrick, W. P. Moore, Henry Hall, R. Chisholm, C. M. Counsell, J. G. Davis,

Thomas Bensley, J. Eastwood, J. J. Mason, W. N. Kitson, Joseph Lister, Reginald Kennedy, John Renton, P. S. Van Wagner, John Ghent, George Ghent, Aley Binkley, James Cummings, F. J. Rastrick, Lyman Moore, J. W. Kerr, and others.

The PRESIDENT called upon the Secretary, Mr. W. D. Booker, to read the following

REPORT OF THE DIRECTORS;

Your Directors beg to present their thirteenth report. The following is a statement of the position of the Company, on the 31st day of December, A. D., 1876.

Number of Policies in force in "General Branch," 3,016, insuring the sum of.....	\$7,498,962
Number of policies in force in "Hamilton Branch," 1,722, insuring the sum of.....	2,025,717
Number of policies in force in "Water Works Branch," 2,341, insuring the sum of.....	3,171,900

Total number of policies, 13,079, insuring the sum of..... 12,696,588

Total amount of assets over liabilities 246,885.31

The Directors have to report adjusted claims during the year to the extent of \$38,520.03; in addition to this about \$4,000 of losses have been notified, the larger portion of which has since been adjusted and paid. In view of the continued depression throughout the Dominion, and the consequent increase of fire disaster, your Directors have deemed it prudent not to materially extend the business. It is, however, gratifying to be able to state that in the Water Works Branch, upon which the extra liability chiefly fell, the assessments for loss have been from twenty to thirty per cent. less than the regular authorized rates, as indicated by the tariff of the Associated Underwriters. In the "General Branch" there has been no very considerable advance in the assessments from the previous year, while in the Hamilton Branch the hitherto very low average assessments have not been exceeded. In accordance with the Ontario Act of 1875 the necessary documents to secure a license (preliminary to the required deposit) have been forwarded to the Government.

It has been the study of your Directors to use every caution and economy in the management of your business, especially since the appearance of financial difficulties and general depression of the country, and they earnestly recommend to their successors a continuance of this policy, as they are satisfied it will secure permanent success.

They, however, confidently look forward to a speedy general improvement and a restoration to former prosperity, when they anticipate a material extension of the Company's business.

All of which is respectfully submitted.

W. D. BOOKER, Secretary. GEO. H. MILLS, President.

In moving the adoption of the report, the President, Geo. H. Mills, Esq., said:

It again becomes my duty to move the adoption of this the thirteenth annual report of the Company, and, under the circumstances, I do so with great satisfaction. It must be evident to every one that the depression in almost every class of business enterprise, which has been so severely felt during the past three years, as well in Europe as in America, still continues; and although we may anticipate brighter times, and a return of prosperity at no very distant period, yet it seems to me incumbent, not only upon associations like ours, but upon every department of business, to use great care, discrimination and economy in the administration of affairs coming within their several provinces, in order that, when the restoration shall come, there may be a readiness and ability to meet it, by an extension of business, and in our case an extension of usefulness. That Insurance Companies have been especial sufferers during the period named is a matter of general notoriety. The chief cause of this is easily reached. Cramped circumstances too often lead to committal of crime, and incendiarism is by no means an infrequent result. Still, with all this, it is a subject for congratulation to members of this