

The utmost economy has been exercised in every branch of the business, and no effort has been spared on the part of the Directors to bring about more favorable results.

The accounts of the Company have been carefully audited, and they show that during the year, in the Fire, Guarantee and Accident branches, after making full provision for outstanding losses and re-insurance reserves, there is a deficit of \$3,804.39, against which there is an improvement in the Life Department of \$4,708.49, showing a net increase of assets to the Company of \$904.10,—this after providing for an increased re-insurance reserve in all departments of \$11,729.78 over the year 1878.

It will be gratifying to you to note that, as the result of the Directors' attention to the Life Branch in the past year, there have been issued 186 new policies, insuring \$410,250, as against 30 policies in the preceding year, for \$47,250. It will be our earnest effort to push this branch in future.

The life statements have undergone a careful examination, and are valued on H. M. $4\frac{1}{2}$ Tables, as required by Government. They show that in that department there is an excess of assets over all liabilities, amounting to \$4,708.49.

The Directors who go out of office at this term are Sir Hugh Allan, Messrs. Henry Lyman and Robert Anderson, and Mr. A. Prevost, who was put on the Board in place of Mr. Cassidy, who resigned his seat. They are all eligible for re-election.

HUGH ALLAN,
President.

MONTREAL, 13th February, 1880.