

more thorough my knowledge becomes of the book-keeping and the financial management of the company, the more I am satisfied that the statements placed before you, year after year, are altogether reliable.

It is very gratifying to an auditor to be able to say that the books and the vouchers of a company are correct and as represented, but it is more than this if he can say that he believes the money of the company is safely invested. What are the evidences of security in connection with the statement before us?

I know that the mortgages representing \$690,000 of the company's funds are in its vaults, for I examined each one of them. I find that out of so large a number of mortgages the company has had to make but one foreclosure. After examining the Government's published report of the financial condition of the various loan companies of Ontario and ascertaining the number of foreclosures made by them, and the amount of overdue payments, I am led to believe that less than one-fourth of one per cent. of overdue interest, and only one foreclosure, when so large a sum is involved, is not only highly satisfactory but somewhat phenomenal.

The debentures of the company are in the company's safe, or in the vaults of the Toronto Trusts Corporation, or deposited with the Government. Those with the company and those with the Trusts Corporation I have examined and found correct as represented; those with the Government are acknowledged in its annual published report regarding life assurance companies: I also saw that the company had scrip for all loans made on stock. These are the grounds for my belief that the company's funds are safely invested.

In conclusion allow me to say that your auditor is allowed full and free access to all he wishes to see, to satisfy himself that everything is as represented. I sometimes think that the sterling integrity of all those at the head of the company is reflected on all below them, and hence my work continues to be very agreeable to me.

Replying to a vote of thanks tendered to the agents of the company for their efficient services during the past year, Mr. Geo. E. Lavers, the company's Nova Scotian manager at Halifax, said: It cannot but be gratifying to myself as one of the oldest agents of the North American Life to note the splendid progress of the company during the first decade of its existence. A few of the salient points of this report you will permit me to call attention to. In the first place, it is certainly gratifying to note that in comparison with other strong competitive companies, the North American shows to-day a financial position not excelled by any. In the item of ratio of assets to liabilities we are also able to make a very favorable comparison.

Another point of great interest to the policy holders, and that shows the excellent earning power of the North American assets, is evidenced by the fact that with one exception in Canada, the rate of interest earned on its investments was in excess of that of any of them, the figures for 1889, as given by "The Insurance and Finance Chronicle," being for the North American 6.00, while the average of six of the competitors referred to was 5.23. This splendid showing of the rate of interest earned by the North American indicates to the public the careful and solid character of its investments. I have certainly much confidence in the future success of the North American as not only a safe company for insurers, but one that from its investments will give as satisfactory returns to its policy holders under its investment policies as any other on this continent.

The usual votes of thanks to office-bearers and committees were then passed.

The directors were then elected for the ensuing year, and at a subsequent meeting the Hon. A. Mackenzie, M.P., was unanimously re-elected as president, and John L. Blaikie, Esq., and the Hon. G. W. Allan as vice-presidents.

The report of the directors of the City Mutual Fire Insurance Company, advising that the concern should go into liquidation, was adopted at the annual meeting of the shareholders. The statement of assets and liabilities shows assets, \$53,568.75; liabilities, \$34,904.16, and it was thought prudent by the directors, while they were able to pay every dollar of the liabilities, to wind up the business. A special general meeting is called for Friday, February 13th, to pass the necessary resolution required by the Act for that purpose.

MANUFACTURERS' LIFE INSURANCE COMPANY.

The fourth annual meeting of the Manufacturers' Life Insurance Company was held at the company's offices in the Traders' Bank building, Toronto, on Wednesday, 28th ult.

The president, the Right Hon. Sir John A. Macdonald, occupied the chair, and Mr. John F. Ellis acted as secretary. A large number of stockholders and policy-holders were present, and took an active interest in the proceedings.

The secretary read the annual report, which shows that the accepted new business for the year amounted to \$2,239,350, and that the company now had 4,007 policy-holders insured for the sum of \$6,830,525; also that there had been a large saving in the expenses of management, and a large reduction in death claims compared with the year 1889.

The financial statement of the company is as follows:

CASH ACCOUNT.

1890.	Dr.	
Cash on hand and in bank 1st Jan., 1890		\$ 6,209 23
Cash for premiums		160,486 67
" for interest and rents		10,241 61
" for premiums in advance		680 15
Investments repaid		31,547 92
		\$209,165 58

1890.	Cr.	
By salaries, commissions, rents, taxes, medical fees and other expenses of management		\$ 70,603 14
Death claims		44,646 18
Surrendered policies		1,148 00
Annuity		420 00
Re-insurance premiums		11,600 56
Investments		51,840 16
Cash on hand and in bank		28,907 54
		\$209,165 58

BALANCE SHEET.

1890.	Cr.	
By Dominion Government bonds (market value)		\$ 53,000 00
Mortgages on real estate		159,242 84
Stocks and debentures		24,150 00
Life interests		1,290 00
Reversions		3,210 00
Bills receivable		10,235 01
Office furniture		4,500 00
Advances to agents, etc.		5,874 60
Outstanding premiums		42,662 25
Deferred premiums		15,012 89
Interest due and accrued		3,654 82
Cash on hand and in bank		28,907 54
		\$351,739 95

1890.	Dr.	
To assurance fund		\$215,231 00
Contingent fund, providing for medical fees, etc.		2,606 02
Ten per cent. held to cover cost of collecting outstanding and deferred premiums		5,767 51
		\$223,604 53
Surplus on policy-holders' account ..		128,135 42
		\$351,739 95

Capital stock paid up	\$127,320 00
NOTE:—	
Surplus as above on policy-holders' account	\$128,135 42
Add uncalled capital stock	493,680 00

Total surplus on policy-holders' account	\$621,815 42
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We have examined the books, documents and vouchers representing the foregoing Revenue Account, and also each of the securities for the property in the above balance sheet, and certify to their correctness.

J. CARLYLE, M. D., } Auditors.
JOHN YOUNG, }

We, the undersigned, hereby certify that we have examined the securities held by the said company and find the same correct.

FREDERIC NICHOLLS,
ROBERT CREAM,
Auditing Committee of the Board.

The old board of directors were again re-elected, and at a subsequent meeting of the directorate the Right Hon. Sir John Macdonald was elected president.

Sir John, in reply to the announcement of his re-election, said:—"I am sure, gentlemen,

I am exceedingly obliged for the renewal of your confidence. I do not know that I have a right to claim this laudation so kindly given me by the mover and seconder of the resolution. All I can say is that I entered into the company seeing the names that were before me, and knowing that I would be quite safe and happy in such companionship. Since that time, as the mover and seconder have said, the company has had some troubles in its initiation, and if I have been in any way of use to the company, or if my name has been of use, I am sincerely glad.

When there was a rumour of trouble, I took occasion to say that I would stick to the ship to the last. It is no boast or ground of praise to me now that I should stick to the ship, because it is a prosperous ship with a favoring wind and under good management. And therefore I like my position very much."

Messrs. George Gooderham, Wm. Bell and S. F. McKinnon were re-elected vice-presidents.

GORE DISTRICT MUTUAL FIRE INSURANCE COMPANY.

The annual meeting of this company was held at Galt, Ont., on Monday, 26th January, 1891.

The president, Hon. James Young, having taken the chair, Mr. R. S. Strong, manager, read the following reports and financial statements:

REPORT.

The report which the directors have now the pleasure of submitting is the fifty-second of the company, and embraces a summary of their transactions for the year, which ended 31st December, 1890.

The number of new policies issued was 3,373, and the number in force at the end of the year was 7,693. The liabilities under sums insured amounted to \$8,667,701, being an increase of \$734,754 in amount at risk, and of 581 in number of policies in force.

The assets of the company have increased very satisfactorily; the gross assets (including premium notes) having now reached \$314,126.59, of which sum cash and cash items represent \$145,305.71. The assets over all liabilities being \$288,046.31.

We take great pleasure in stating that every known obligation of the company for the year 1890 was paid before its close.

We direct your attention to the auditors' report and statements of receipts and expenditure, assets and liabilities, which are appended and are clear and distinct as usual.

The income from all sources (including nearly \$6,000 received as interest on investments) was \$101,557.44, and the expenditure for losses and current expenses was \$80,822.13, leaving a balance of \$20,735.31 to be added to the Reserve Fund.

According to 50 Vic., Chap. 86 of the Statutes of Ontario, this company was permitted to increase its Reserve Fund up to \$100,000, after which the directors were authorized to declare from time to time by by-law passed in that behalf, a bonus out of the net profits, after the sum aforesaid has been reserved. The board has now great pleasure in stating that the profits of the past year have been such as to increase the Reserve Fund to \$100,000, and also to enable us to make a cash refund to all members (mutual policy holders only are members of the company) in good standing on the books of the company on the 31st December, 1890, of twenty per centum of the amount of their assessments paid during the year.

The retiring directors are:—Messrs. Magill, McCulloch and Watson, all of whom are eligible for re-election.

The office-staff and agents generally have continued to give careful attention to your interests.

All of which is respectfully submitted.
Signed JAMES YOUNG, President.
R. S. STRONG, Secretary.
Galt, 26th January, 1891.

STATEMENT OF BUSINESS, 1890.

Receipts.	
Cash premiums	\$36,564 32
Assessments	54,146 53
	\$90,710 85
Transfer fees	163 79
Extra premiums	262 41
Interest	5,915 50
Re-insurance claims	4,504 89
	\$10,846 59
	\$101,557 44