

FINANCIAL STATEMENT.—A full statement of the financial position of the Company will be found annexed.

LIVE STOCK IN FIELDS.—As you are aware, the Directors some time ago, anxious to comply with the wishes of the members, decided on paying for live stock in enclosed fields that might be killed by lightning. The wisdom of this step was very much questioned at the time; still the Directors tried the experiment. Experience has taught them that in order to meet the drain on the funds of the Company, occasioned by losses of this kind, that a small additional premium should be charged; so it has been decided, that for the future, where the insurer desires his live stock so covered, he must at the time of making application especially state so, and pay 25 cents for the first \$100 and 10 cents for each subsequent \$100 for which such protection is sought.

AGENTS.—The agents as a body have done well, and are deserving of the thanks of the Company. A few, however, have not come up to the standard, and, as a consequence, their services have been dispensed with.

MEMBERS.—Three Directors now retire in rotation. They are Messrs. Willson, Black and Van Wormer. They are eligible for re-election.

All which is respectfully submitted,

D. C. MACDONALD,

SECRETARY.

C. WILLSON,

PRESIDENT.

FIRE INSPECTOR'S REPORT.

The following is the report of Mr. Cody, the Fire Inspector of the Company:—

Your Inspector begs leave to report that he, last year, inspected and reported on 256 claims against the Company, 239 were passed by the Board, and 17 not recognized as valid.

By reference to the appended tabular statement of losses, it will be observed that outbuildings and their contents largely predominate, which clearly shows that of all risks held by the company, this class of property is the most hazardous.

My experience evinces that the most common causes of fire in the country are lightning, running fires, incendiarism, defective stove pipes and chimneys, sparks falling on the roof from foul chimneys, and the careless disposition of ashes, which are frequently taken up in some worn out utensil, and allowed to remain therein in dangerous proximity to the buildings.

A large number of losses are credited to "unknown causes." I am of the opinion they mostly are attributable to wilful neglect or carelessness perhaps in most cases the latter prevails.