

that a few more applications may be secured, or a point scored against a competitor.

I need hardly say to you who are present here to-day, that the London Life is not a competitor in this mad race for business, nor that we do not approve of the practices to which I have just referred. Certainly, every agent of the company knows that, while we aim to increase our business steadily from year to year, we have never approved of, nor countenanced other than honorable practices, which alone are worthy of the business in which we are engaged. That we are succeeding fairly well on these lines will be seen from the following:—Ten years ago, since which time our present "with-profit policies" were first introduced, the premium and interest income amounted to only \$26,300, the assets to \$103,810, and the total insurance in force on the company's books to \$782,812. Five years later, the premium and interest income had increased to \$43,854, the assets to \$190,317, and the insurance in force to \$1,662,856; while last year the premium and interest income was \$121,572, the assets amounted to \$340,658, and the insurance in force to \$3,020,755, an all round increase of nearly 100 per cent. during the first five-year period, and a similar increase during the second five-year period, or a total all-round increase of about 400 per cent. in ten years.

The losses by death during the past year have been somewhat greater than in any previous year; but as the business increases in volume and in age, an increased death rate must of course be looked for. The total number of claims paid during the year was 207, an average of about 4 per week, of which 193 were under Industrial policies and 14 under General, all of which were paid promptly on receipt at the head office of the usual claim papers. The now almost universal practice of the regular companies of prompt payment of claims, after receipt of the necessary claim papers, is unquestionably of great benefit to the beneficiaries of the insured. But prompt payment after receipt of claim papers at the head office does not necessarily imply prompt payment after death, as considerable time may elapse, and sometimes necessarily so, between the date of death and the completion of the claim papers. A tabulation of the 207 claims paid by this company during the past year shows that an average of only eight days elapsed between the date of death and the issuing of the cheques in payment of these claims, while in no less than 160 of the 207 cases, the average duration between dates of death and the issuing of the cheques, was actually less than four days, which proves pretty conclusively that the London Life not only pays claims promptly after completion of the necessary claim papers, but also that every facility is afforded for the completion of these in the most expeditious manner, which certainly is a matter of no small importance, especially to the industrial classes who are so generally availing themselves of the facilities for insuring afforded them by this company.

The assets of the company, as will be seen by a reference to the financial statement, consist largely of debentures, loan companies' stocks, and mortgages on real estate, securities of the highest order, and yielding a fair rate of interest, the average the year being 5.80 per cent. on the net mean amount invested, which, in face of the fact that the rate of interest procurable on first-class loans is steadily decreasing, must, I am sure, be admitted to be a good showing. The highest rate of interest obtainable on loans has not, however, been our chief concern, but rather the safety of the investments, and that great care has been exercised by the directors in this respect is amply borne out by the facts that no losses on investments have been incurred, and that the total interest overdue at the close of the year amounted to only \$452.99.

The liabilities of the company, apart from the Reserve Fund required to be maintained at the credit of the respective policies, are merely nominal, and have been amply provided for. As regards the Reserve Fund itself, which is the chief item in the statement of liabilities, the Insurance Act requires that an independent valuation of each company's liabilities, under its outstanding policies, shall be made by the Insurance Department at least once in every five years, and in compliance with this provision a list of all policies in force on this company's books, as at the close of the year, was forwarded to the Superintendent of Insurance at Ottawa, early in January, for valuation, and his certificate, which I have

before me, shows that the company's own standard of valuation is no less than \$13,485 higher than the standard required to be maintained by law. This difference, together with the further sum of \$3,610, representing the excess of market value of loan company's stock owned by the company, over the ledger values at which they are entered in the statement, would, if added to the divisible surplus shown, as is indeed quite the custom in many companies, increase that item to no less a sum than \$25,576 over all liabilities and capital stock.

It affords me much pleasure to acknowledge the zeal and ability displayed in their respective positions by the officers and agents of the company, and I would call special attention to the faithfulness of our manager, Mr. Ritcher, who, I am sure, deserves our best thanks, for to his ability and untiring energy we are principally indebted for the proud position to which the London Life has attained. Although we cannot as yet boast of millions of assets with corresponding liabilities, we can with truth assert that no company can show sounder assets, and but few such ample provision for liabilities and profits to policy-holders.

With these remarks, gentlemen, I beg to move the adoption of the report.

In the unavoidable absence of the vice-president, the motion to adopt the report was seconded by Mr. William Bowman, and was then unanimously approved of.

A hearty vote of thanks was tendered to the officers, agents and other employees of the company, for the satisfactory manner in which they had discharged their several duties; after which the balloting for directors was proceeded with, resulting in the unanimous election of the following: Joseph Jeffery, John McClary, William Bowman, Geo. C. Gibbons, William F. Bullen, Arthur S. Emery, Sheriff Glass, A. O. Jeffery, Thomas H. Smallman, George M. Harrison and Judge Bell.

At a subsequent meeting of the directors, Joseph Jeffery was re-elected president, and John McClary, vice-president.

GUELPH AND ONTARIO INVESTMENT AND SAVINGS SOCIETY.

The seventeenth annual meeting of the shareholders of this society was held at the Society's office, corner of Market Square and Wyndham Street, Guelph, on Tuesday, February 28th, 1893, the President, D. Stirton, Esq., in the chair.

The secretary, Mr. Wm. Ross, read the annual report and financial statement as follows.

REPORT.

The directors of the Guelph and Ontario Investment and Savings Society present to the shareholders their report for the year ended December 31st, 1892.

After paying all costs of management, municipal tax on dividends, interest on deposits and debentures, &c., the net profits, including \$2,436.24 brought forward from last year, and \$2,608.60 premium on stock, amount to \$46,113.32. This sum has been appropriated as follows:

Dividend No. 32, paid 2nd July, 1892, 8 per cent. per annum	\$15,910 44
Dividend No. 33, paid 3rd January, 1893, 8 per cent. per annum	16,186 54
Carried to Reserve Fund	11,500 00
Balance carried forward	2,516 34
	\$46,113 32

The Reserve Fund now amounts to \$135,500, and the total assets of the Society show an increase during the year of \$129,321.21.

The large increase in business necessitated greater accommodation in office, and removal of board room to the second flat. This was done in a very creditable manner, at a cost of \$1,000, which, with what was formerly paid for safes, etc., would make value of fittings over \$1,800. This has not been included in cash assets, but we consider it a valuable property for the purposes of the society.

During the year applications for loans amounting to \$555,527.79 were received, and from these investments on mortgage security to the amount of \$269,421.79 were selected and granted.

During the year borrowers have met their payments very satisfactorily, and the society has only two properties on hand, amounting to

about \$9,000, on which we do not anticipate much, if any, loss.

By authority vested in your board, an issue of \$60,000 of capital stock was made and allotted to the shareholders at a premium of 20 per cent., and on which 20 per cent. was called in. \$49,800 was accepted by allottees, and the balance of \$10,200 was afterwards sold at a premium of 30 per cent.

The officers of the society continue to discharge their duties to the satisfaction of the board.

As usual, the books and accounts have been carefully examined every month, and the auditors' report is presented herewith.

All of which is respectfully submitted.

D. STIRTON,

President.

FINANCIAL STATEMENT FOR THE YEAR ENDING 31ST DECEMBER, 1892.

PROFIT AND LOSS.

Dr.

Dividend No. 32	\$15,910 44
" No. 33	16,186 54
Interest on deposits	18,789 34
Interest on debentures	27,170 86
Valuators' fees and commissions	1,267 17
Refitting and furnishing office and board room	1,000 00
Cost of management including directors' fees and auditors' salaries	6,981 05
Municipal and income taxes	640 24
Carried to Reserve Fund	11,500 00
Balance carried forward	2,516 34
	\$101,911 98

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Balance brought forward	\$ 2,436 24
Interest on investments	94,727 92
" on bank deposits	2,139 32
Premium on stock	2,608 60
	\$101,911 98

ASSETS AND LIABILITIES.

The assets are as follows:

Cash value of mortgages and other securities	\$1,628,564 38
Cash in Dominion Bank	66,627 61

The liabilities are as follows:

Savings bank deposits	\$518,922 47
Interests on savings bank deposits	8,678 03
Debentures	588,997 40
Interest on debentures	13,649 32
	\$1,130,247 22

Surplus assets \$ 564,944 77

The surplus assets are composed of:

Fixed and permanent stock subscribed, \$660,000, on which has been paid	\$ 410,741 89
Dividend payable 3rd Jan., 1893	16,186 54
Reserve Fund, 31st Dec., 1891	\$124,000 00
Added from profits	11,500 00
	135,500 00
Balance at credit of profit and loss account	2,516 34
	\$564,944 77

Wm. Ross, Secretary.

We have audited the books and vouchers of the Guelph and Ontario Investment and Savings Society monthly during 1892, and found them correct. We have also examined the mortgages and calculated the value and earnings of each one separately, proved the bank balances, and certify that the foregoing balance sheet is a correct statement of the company's affairs to 31st December, 1892.

A. J. BREWSTER,

J. W. KILGOUR,

Auditors.

Guelph, Jan. 25, 1893.

The president, in moving the adoption of the report, congratulated the stockholders on the favorable showing of our past year's operations. "Our business for the past year has been of that progressive character which has been the history of our company since its inception. In speaking of the working of our money lending institutions we should not overlook the increasing difficulties that now surround the advancing of money on the security of real estate. We are now confronted with a very large amount of capital looking for investment at a low rate, together with the consider-