# THIRD ANNUAL MEETING

—OF THE—

# OTTAWA FIRE INSURANCE COMPANY

The annual general meeting of the shareholders was held in the head office of the Company, at Ottawa, on Tuesday, the 3rd February, 1903, at 3 p.m.

Amongst others present were Messrs. G. B. Pattee, G. F. Henderson, W. C. Edwards, M.P., Charles Magee, C. Berkeley Powell, M.P.P., Claude McLachlin, D. E. Murphy, M.P.P., C. Ross, C. Jackson Booth, Bennett Rosamond, M.P., C. C. Ray, W. D. Hogg, W. S. Odell, J. A. Gemmill, John Coates, Peter Larmonth and Walter G. White.

The chair was taken by the president, Mr. Charles Magee, and Mr. A. B. Powell, the manager, acted as secretary.

The manager then read the third annual report of the directors as follows:

The directors have pleasure in submitting to the shareholders the annual statements of the Company's accounts for the year ended 31st December, 1902.

The revenue account shows a large increase of premium income, the gross being $300,856.65. This amount with cancellations and reinsurances deducted leaves $211,937.08, or an increase of $72,000.00 over last year, which your directors consider satisfactory.

On the other hand, losses are $73,304.57, as against $86,803.62 in 1901, and the percentage of losses to premium income is under 35 per cent. The net underwriting profit was $63,163.54, or, including interest on investments and rents, $68,192.67.

The very large increase in the business transacted this year, and especially the very gratifying increase in the net profits fully justifies the confidence expressed by your directors in the last annual report.

During the year the Company purchased the property on the corner of Sparks and Bank streets with the intention of utilizing it for the offices of the Company as soon as our present lease expires.

All of which is respectfully submitted.

CHARLES MAGEE,
*President.*

### REVENUE.

| | | | |
|---|---|---|---|
| Premiums | $300,856 65 | | |
| Less re-insurance and cancellations | 88,919 57 | | |
| | | $211,937 08 | |
| Interest on investments | | 4,370 43 | |
| Rents | | 658 70 | |
| | | | $216,966 21 |

### EXPENDITURE.

| | | |
|---|---|---|
| License Fees | $ 3,645 98 | |
| Fire Losses and Adjustments | 73,304 57 | |
| Commissions and Expenses of Management | 69,518 90 | |
| Repairs to Real Estate | 665 51 | |
| Provisions for depreciation in value of Goad's Plans and Office Furniture | 1,638 58 | |
| | | $148,773 54 |
| Surplus of Earnings for 1902 | | $ 68,192 67 |
| Reserved for Re-insurance | | 36,186 46 |
| Carried to the credit of Profit and Loss | | $ 32,006 21 |

### PROFIT AND LOSS ACCOUNT.

| | | |
|---|---|---|
| Balance at 31st December, 1901 | $ 64,347 72 | |
| Balance of Revenue Account | | $ 32,006 21 |
| Dividend No. 2, payable 1st January, 1903 | 4,000 00 | |
| Balance carried forward | | 36,341 51 |
| | $68,347 72 | $ 68,347 72 |

### ASSETS.

| | | | |
|---|---|---|---|
| Cash— | | | |
| On hand | $ 124 07 | | |
| On deposit in Bank of Ottawa | 16,490 27 | | |
| | | $16,614 34 | |
| Investments— | | | |
| Municipal Debentures deposited with the Dominion Government | $56,000 00 | | |
| Municipal Debentures | 10,162 50 | | |
| Dominion Government Securities | 10,106 00 | | |
| Railway and other Debentures | 43,830 00 | | |
| Bank Stocks | 20,362 50 | | |
| Real Estate | 20,000 00 | | |
| | | $160,461 00 | |
| Interest due and accrued | | 556 94 | |
| Rents due and accrued | | 681 31 | |
| Agents' Balances | | 16,911 33 | |
| Office Furniture and Goad's Plans | $6,638 58 | | |
| Deducted for depreciation | 1,638 58 | | |
| | | 5,000 00 | |
| | | $200,224 90 | |
| Balance | | 36,341 51 | |
| | | | $236,556 41 |

### LIABILITIES.

| | | |
|---|---|---|
| Capital Stock | $100,000 00 | |
| Due other Companies for re-insurance | 2,837 71 | |
| Unadjusted Fire Losses | 863 15 | |
| Dividend No. 2 | 4,000 00 | |
| | $107,700 86 | |
| Re-insurance Reserve | 128,865 55 | |
| | | $236,566 41 |

A. B. POWELL,
Manager.

To the President, Directors and Shareholders of the Ottawa Fire Insurance Company:
Gentlemen,

We hereby certify that the books of the Company have been audited by us, that the vouchers and securities have been examined up to 31st December, 1902, and we find the whole carefully kept and correct.

Ottawa, January 30, 1903.

P. LARMONTH, F.C.A. (Can.)
JAS. F. CUNNINGHAM, F.C.A. (Can.)

The president, Mr. Charles Magee, then said:—

Gentlemen,—I think we may congratulate ourselves as shareholders on the result of the year's business, as revealed by the statement just read.

In 1901 the Gross Premium income was $199,600 and in 1902 it was $300,860, or an increase of fifty per cent., whilst the net income for 1901 was $139,937, and for 1902 it was $211,937, or an increase of a little over fifty per cent.

The fire losses for 1902 were $73,304, which are $13,500 less than the previous year, notwithstanding the large increase in the volume of business, the percentage of losses to net income being under thirty-five per cent.

The net profits in 1901 were $5,836, and in 1902 they were $68,192, after writing off $1,638 for depreciation in office furniture and plans.

Out of this amount $4,000 was paid in dividends, $36,185 put aside for reserve of the increased liabilites to policy-holders, leaving $28,006 to go to the credit of profit and loss.

In calculating reserve we complied with the Dominion government requirements, which are more severe than is considered necessary, and we always use the same figures in our statement to the shareholders as we do in the return to the insurance department, and I am glad to be able to assure the shareholders that if it were necessary to reinsure all our outstanding risks, or to liquidate the business, we have more than sufficient assets on hand at the present moment to do