

HAND-IN-HAND MUTUAL FIRE INSURANCE COMPANY.

REPORT OF THE DIRECTORS TO THE FIFTH ORDINARY GENERAL MEETING OF THE MEMBERS, HELD AT THE OFFICES OF THE COMPANY, NOS. 22, 24 AND 26 CHURCH STREET, TORONTO, ON MONDAY, THE 25TH DAY OF FEBRUARY, 1878.

The Directors have much pleasure in submitting to the Members the *Revenue Account and Balance Sheet* for the year ending 31st of December, 1877. The Cash Premiums received amount to \$26,371.79, and the income from all other sources \$2,207.74, making the total cash receipts \$28,669.53. The undertakings in force amount to \$23,316.78; and after deducting claims under Policies, Expenses, Commission, Salary, rent, and Directors' fees, and \$9,326.71 as a re insurance liability, there remains a surplus to carry forward of \$31,154.24. The majority of Fire Insurance Companies have experienced *exceptionally large losses* during the past year; but we are able to report a *comparatively favorable experience*. We feel there is ground for *computation* that it has not been necessary to trench upon the *Cash Reserve Fund*. The large ratio of assets to the amount at risk—being 2.31 per cent.—is a *gratifying feature* in the Company's position.

In accordance with the act, under which the Company is incorporated, all the Directors retire and are eligible for re-election.

HUGH SCOTT, Secretary. W. H. HOWLAND, President.

Toronto, 25th February, 1878.

REVENUE ACCOUNT FOR YEAR ENDING 31ST DECEMBER, 1877.

Income.

To Cash Premiums received.....	\$26,371 79
" Interest.....	738 72
" Scrip Appropriation, 1876.....	298 12
" Loss.....	1,200 90
	\$28,669 53

Expenditure.

By claims paid.....	\$16,943 23
" Reinsurance.....	547 52
" Cancelled Policies.....	1,447 71
	18,938 46
" Commission.....	3,955 74
" Plant and Charges.....	771 16
" Salaries and Directors' Fees.....	1,940 00
	6,667 90
" Plant and Charges appropriation.....	264 17
" Loss.....	2,800 00
	3,064 18

Total amount at risk.....	\$1,754,926 65
Ratio of Assets to amount at risk.....	2.31 per cent.

Investments.

First Mortgages on Real Estate.....	\$6,500 09
Federal Bank Stock.....	10,000 00
	\$16,500 09

Amount required to reinsure all outstanding risks.....	9,326 71
--------------------------------------------------------	----------

Invested Cash surplus.....	7,173 29
All other Assets.....	23,980 95

Total surplus..... \$31,154 24

This Company does not issue policies for a longer period than one year.

Audited and found correct.

H. W. EDDIS, } Auditors.
GEO. J. MAULSON, }
February 23, 1878.

BOARD OF DIRECTORS, 1873.

W. H. Howland, (W. P. Howland & Co.), Toronto.
A. T. Wood, M.P., (Wood & Leggat), Hamilton.
Jas. Neilson, (A. V. Delaporte & Co.), Toronto.
Wm. Hargrave, M.P.P., Merchant, Cobourg.
Thos. Downey, Sr., ex-Alderman, Toronto.

Wm. Thomson, (Thomson & Burns), Toronto.
John Gillespie, (J. Gillespie & Co.), Toronto.
J. Stuart, (Vice-President Bank of Hamilton), Hamilton.

L. Coffee, (L. Coffee & Co.), Toronto.
A. T. Fulton, (Geo. Michie & Co.), Toronto.
Jas. Austin, (President Dominion Bank), Toronto.

C. P. Smith, (Smith & Chapman), London.
S. W. Farrall, (Produce Merchant), Toronto.
Hon. T. N. Gibbs, M.P., (President Standard Bank), Toronto.

L. W. Smith, D.C.L., (President Building and Loan Association), Toronto.

W. H. HOWLAND, President. WM. THOMSON, Vice-President.

NORTHERN RAILWAY COMPANY.

The annual meeting of the proprietors of this Company was held in their offices, Toronto, on Wednesday the 20th ult. There was a large attendance of shareholders. Mr. William Thomson, President of the Company, occupied the chair; and, after some routine business, the Secretary read the following report of the Canadian Directors for the year 1877:

REPORT.

To the Proprietors of the Northern Railway of Canada:

1. The Canadian Directors have the honor to present their report for year ending 31st December, 1877.

2. The gross traffic receipts have amounted to \$738,472.30 (\$149,686 1s. 9d. sig.) as against \$784,801.38 in 1876, shewing a decrease of 7.17 per cent.

3. The working expenses of the year have amounted to \$415,773.15 (\$85,432 16s. 0d.) as in comparison with \$458,552.22 (\$94,223 1s. 1d. sig.) in 1876, and shewing a decrease of \$42,779.07, or 9.06 per cent. In relation to gross earnings, the working expenses of 1877 have shewn a rate of 57.07 per cent., against 58.42 in 1876, being a reduction of 1.35 per cent. in favor of 1877.

4. The net revenue of the year has amounted to \$312,699.15 (\$64,253 8s. 0d. sig.), as against \$326,249.16 (\$67,037 10s. 0d. sig.) in 1876, being a reduction of \$13,550.01 (\$2,784 5s. 0d. sig.), or a decrease of 4.15 per cent.

5. It will thus be seen that whilst the general stagnation of trade has pressed upon the Company's resources with some severity, the effect has been practically overcome by the reduced cost of working, resulting from the falling prices in the year of wages and supplies of all classes; and although exceptional expenditure has unavoidably occurred in Parliamentary and kindred services, and, although the burthen of taxation has sensibly increased, yet on the whole the net revenue has been well maintained to the average of previous years.

6. By reference to Account No. 2 it will be found that all the maturing revenue liabilities of the Company have been duly paid, that the interest of every class of its debentures (including the new five per cent. issue) has been punctually met at due dates, and that in addition to a charge of \$13,364.69 (\$2,746 3s. 5d. sig.), on new and additional works, rolling stock, &c., the sum of \$11,105.94 (\$2,282 0s. 10d. sig.), has been appropriated to the writing off and closing of suspense accounts, bad and doubtful debts, and the like; carrying forward a balance of \$1,618.71, £322.12s. 3d. sig., to 1878.

7. The works and equipments of the lines have been maintained in thorough condition of repair and efficiency, and its traffic has been operated with unbroken punctuality and safety, all accident and damage claims to person or property being represented by the small charge of \$829.31, (£170 8s. 1d. sig.).

8. The Company's Act of 1877, reported at the last annual meeting, has been availed of by an issue of five per cent. first mortgage bonds on favourable terms; and thereupon the financial conditions imposed by the Government of Canada have been complied with, and every liability to that government paid off.

9. Under authority of an unanimous vote of the proprietors at a Special General Meeting

held on the 14th November, 1877, a lease of the line of the North Simcoe Railway Company has been concluded, to take effect on the completion of that railway ready for traffic operation. Under the lease (which will be laid before you) this company will not be involved in any responsibilities or engagements other than as lessees, working the completed line under revenue arrangements.

10. As some doubts have been raised as to the respective powers of the companies, it has been thought expedient to introduce a bill confirmatory of the lease, and it is proposed to avail of the opportunity for securing such general powers as will prevent the necessity for further appeals to the Legislature in regard to the leasing or working of the line or the lines of other companies, and for securing and defining the rights of the company in connection with the extensive system of sidings and branches constructed upon and serving the properties of its customers. The draft Bill, already deposited, will be submitted for your approval.

11. Appended are the reports of the Auditors, with the balance sheet and usual departmental and statistical returns.

All respectfully submitted,

By order,

WM. THOMSON, President.

FRED. CUMBERLAND, Gen. Manager.

WALTER TOWNSEND, Secretary.
Toronto, 20th February, 1878.

A FOREIGN MARKET.

As an instance of the practical efforts put forth by our American cousins in seeking foreign outlets for their manufactures and inventions, the following report of the possible requirements of India has recently been furnished to a Boston journal:

"In respect to India the mass of the population are, as you are doubtless aware, engaged in agriculture. Improved farming implements (the simpler the better) and irrigating apparatus with manufacturing machinery are needed, and cheap carriage is wanted by land and water. The rivers being rapid and shallow at times light draft steamers and flats are necessary.

Rice is grown in Bengal and Burmah. One of the largest houses in the Rangoon trade lately purchased a patent for dressing rice stones for 40,000 rupees.

"Then, again, cotton, jute, rena and other fibrous substances are raised and exported for manufacture, whereas the raw material might be worked up here cheaply were machinery at hand. The Indian Government have lately offered a bonus of 50,000 rupees for the best machine for treating rena.

Flax ('lin') is at present grown in India for its seed, but it is possible to produce from the linseed stalk (of which hundreds of thousands of tons are annually wasted in this country) a valuable fibre, useful for the manufacture of sail cloth, etc. Simple rotting and breaking machines would be appreciated.

Any invention which would secure the proper drying and preparation of tobacco leaf for export would realize a fortune. Tobacco can be grown everywhere, but the preparation for export is not understood. There is now considerable excitement on the subject and patents would attract attention.

Indigo. One of the last inventions will, it is said, increase the profits on indigo raised in Trincom by 8 lakhs of rupees, or £80,000 per annum. The process is complicated, and we have a strong belief that the subject is well worthy of study by practical chemists, and there can be no doubt but that the article is capable of being improved, and the cost of production greatly lessened by mechanical and chemical means.

Oil seeds are largely exported, and an invention for the clarification and bleaching of the crude oils would perhaps cause the export of the oil instead of the seed and would pay well.

Cheap manures are wanted, and an invention or the destruction of red spider and blight would make one rich in twelve months.

Petroleum is found in Assam and Burmah.