

## SEVENTH ANNUAL MEETING

At the Annual Meeting of the Company, held at its Head Office, 24 West King-street, at 2 p.m., February 1st, 1905, among those present were: Thomas Crawford, M.P.E.; H. M. Stevenson, Charles Bonnick, Charles C. VanNorman, F. C. Brown, H. E. Irwin, K.C.; G. S. Crawford, H. Begg, Dr. A. C.

Judge Morgan, Asa Matthews, Fred B. Ringling, w. J. R. Smith, G. C. Koger, Jr., Wm. H. Williams, Alexander Stewart (Tulsa), Geo. W. Williams (Bellefonte), William Hendrie, jr. (Hamilton), G. S. Baldwin (Aurora), John Smith (Tilsonburg), W. Goventock (Seaside), D. Palmer (Berlin), Steffen Kjos (Hollywood) and E. A. McLaughlin (P.O.), representing in person and by proxy, 3400 shares of the company.

The President, Thomas Crawford, P.P.C., occupied the chair. W. Greenwood Brown acted as secretary. H. M. Stevenson, and H. Bege were scrutinizers. Following the election, the directors elected are: Theodore Brown, C. C. VanNorman, Judge Morgan, David Carlyle, H. E. Irwin, K. C.; W. VanNess and W. Greenwood Brown, Toronto; A. F. McLaren, M.P., Stratford; William Hendrie, jr., Hamilton; Stephen Noxon, Ingersoll; D. Hibner, Berlin and W. Goventock, Seaside.

**THE FINANCIAL STATEMENT AND DIRECTORS' REPORT**

**DIRECTORS' REPORT AND FINANCIAL STATEMENT FOR YEAR ENDED**

Dr.		Revenue Account.	
To Accumulated Reserve from 1903	57,795 08	By Cancellations	\$48,904 16
To Premiums 1904	31,795 48	By Reinsurance	49,011 37
To Interest Accrued	320 04	By Commission	96,415 65
	5,521 09	By Taxes and License Fees	3,890 00
To Payments on Capital Stock.	94,050 00	By General Expenses, including salaries, bonuses, printing and stationery, advertising, traveling expenses, legal expenses, rent, Directors' fees, audit fees, etc.	26,520 16
		By Fire Losses and Adjustment Expenses	165,290 16
		By Balance	\$338,401 34
			133,214 71
	\$471,704 04		\$471,700 00
Dr.	Profit and Loss Account.		

	\$86,654 21		
	<b>Balance Sheet.</b>		\$86,654 21
<b>ASSETS.</b>			
To Capital Stock Liable to Call \$850,000 00			
To City of Toronto Debentures 41,950 72			
To Town of Woodstock Debentures 11,360 72			
To Dominion Company Debenture 2,000 00			
To Hills Roadvale 23,076 73			
To Cash in Banks and on Hand 27,374 76			
To Sundry Shareholders (bal. 20 per cent. Call Unpaid) 3,350 00			
To Land, Furniture, etc., 6,298 32			
To Sundry Assets 1,200 26			
			\$540,108 73
<b>LIABILITIES.</b>			
By Capital Stock Subscribed \$500,000 00			
By Fire Losses unpaid 5,943 00			
By Cancellations unpaid 2,400 00			
By Re-insurance unpaid 1,800 00			
By Dividend unpaid 3,000 00			
Sundry Accounts 34,924 73			
By Accumulated Reserve Fund.			34,924 21

This is to certify that we, the undersigned Auditors, in continuing audit of the books examined the vouchers and verified the securities, of The Equity Fire Insurance Company, for the year ended 31st December, 1904, and find they have been correctly kept and are truly set forth in the above statements.

C. ARNOLD, FRED ROPER, Auditors.

Toronto, January 21st, 1905.

The Directors of The Equity Fire Insurance Company, in presenting to the shareholders the financial statement, covering the financial transactions of the Company for the year 1904, take pleasure in calling attention to the continued growth of the Company's revenues, the gross premiums received, and the large profits.

The first four months of the year's operations proved exceptionally unfortunate. On the 19th of April the Home City of the Company was visited by one of the most disastrous conflagrations in the history of Canada. Naturally

have been the underwriting of the Company, its net loss was but a little more than one-half the amount at risk. Following close upon this was the terrible conflagration, so that the Company's net loss was but a little more than one-half the amount at risk. Following close upon this was the terrible conflagration, so that the Company's net loss was but a little more than one-half the amount at risk.

It may be observed, also, that out of the \$5,000,000 of net fire losses for the year ended December 31, 1934, only \$594,624 was unadjusted but estimated net losses were carried forward.

The cash assets of the Company exceed the government requirement for Reserve by \$56,476.24. The cash resources of the Company, apart from the \$500,000 of unadjusted net fire losses, are \$1,184,824.24, which gives in all the very ample security to policyholders of \$584,624.21.

Under these circumstances, and in view of the splendid response to the call, the Board of Directors of the Company is of the opinion that the business of the Company has reached such proportions and is of such quality that the circumstance of the Toronto conflagration need not interrupt the usual payment of a dividend, more especially since it may be paid in dividend equivalent form.

After providing for this dividend and writing off \$1000 on plans, furniture, etc., there remains an accumulated reserve of over \$2000,000, which will be paid out in the last six months of the year, we desire in an especial manner to thank the agents for their loyal support.

Consideration is due also to the Office Staff and Inspectors for the very faithful performance of their duties.

The term for which the Directors were elected now expires; they are eligible for re-election.

THOS. CRAWFORD, President.

WM. GREENWOOD BROWN, General Manager and Secretary.

**President's Address.**

In attende to move the adoption of the report, I desire to thank you for your attendance, and also for the opportunity of referring to certain features of the report just read, and the business of the year just closed.

It was a year of conflagrations, but the great Baltimore and Toronto fires

previous years' conditions. All combined, the fire waste on this continent is a colossal waste, and the insurance companies are not doing their duty in a deplorable, and whatever else is done, we must, as overseers of large interests, charge rates of insurance that will provide for losses, expenses, a reserve fund, and a profit. It is doubtful if any other Company, large or small, however, with a head office in Toronto, came through the conflagration equally well. The loss is not entirely over the rude shock, but with the confidence in the report, we shall feel that a conflagration is somehow conducive to the interests of an insurance company.

The report refers a 20 per cent. call made upon the shareholders. Your Directors are regretted to make that call, knowing it would be a disappointment to some, and, possibly, an inconvenience to others. The result, however, speaks volumes for the integrity and the financial resources of our Canadian Shillington company, and the Canadian Equities Company. The latter company failed to meet its obligations because of

On loss ratio or the eight months was a favorable thing, it was high, but 33 per cent; our expense made it come down to 20 per cent. If we had no losses, it would be 10 per cent. In fact, if there were no losses at all, it becomes a valuable output.

From the report it will be seen that the gross premium income for 1907 year exceeds \$315,000, an increase of \$123,000 over the previous year. The policyholders are satisfied with the results of the company's operations.

The policyholder has what backs up an Equity policy. A company that can pay \$160,000 losses in one year, as soon as they are adjusted, and leave only \$40,000 of losses to be carried over, and only because they are not well-to-do, and power and strength, and ability to carry on business, and so on, and so forth, considerably short of having enough money, over and above their capital, to make the government standard of reserve, but in fact, the Equity, the policyholder has a security of his investment, and he can see that the company has not been run in a way that would cause him to lose time in examination of the company.

Now, he knows that he has been hit, and has paid up an additional amount of \$100,000, but he has not lost anything, and he has not lost anything on his holdings. This, to him, is either a loss, or it is a gain, in either case.

encouragement to believe in the successful outcome to the shareholders' vote. Our familiarity with the business operations of the Company, the extensive history of particular experience, we are doubly convinced that the proposed plan is a wise one. You will observe that our interest account is more than enough to pay the dividends declared in connection with the original plan for having declared and I feel that no apology is necessary for our abstention from having declared the entire paid-up capital. From the organization we now have, improved confidence we enjoy, and from our increased experience, we are more confident, we maintain that the proposed plan is the most successful year's business. It may possibly be interrupted by configurations, but we believe that courage, persistency and honest effort will win out.

I have pleasure in moving the adoption of the report and the approved address. The President's report was read and the report was approved.

The adoption, it was fully and freely discussed, and the address was

re-elected President; Mr. C. C. VanNorman, Vice-President; These, Hlr Honor Judge Morgan, David Carlyle and H. E. Irwin, K. C., were elected to the executive.