Bills receivable	771 39
Accrued interest	873 33
Net premium notes in force...	185,755 35
Goad's plans and office furniture not extended), $5,000.	
	$304,556 95

Liabilities.

Unadjusted losses...	$5,608 52	
Less reinsurance thereon	1,140 79	
		$ 4,467 73
Balance		300,089 22
		$304,556 95

W. H. SCHMALZ, Secretary. HUGO KRANZ, Manager.

AUDITORS' REPORT.

To the President, Directors and Members of the Economical Fire Insurance Co., of Berlin.

GENTLEMEN,—We beg to report that we have examined the books of account and vouchers of your company for the year ending 31st December, 1899, and that we find the same correct, and according to the statements submitted herewith.

Respectfully submitted,

J. S. HOFFMAN,
J. M. SCULLY, C.A.,
Auditors.

Berlin, 23rd January, 1900.

On motion of Mr. Hord and Dr. H. G. Lackner, this report was received and adopted.

The recently appointed inspector, Mr. Ross, then gave a brief report of the work he has done since assuming the duties of his position. It was found satisfactory, and adopted.

Mr. J. S. Hoffman and Mr. J. M. Scully, C.A., were appointed auditors for the ensuing year by the meeting.

By motion of the meeting, President Fennell was asked to cast one ballot for the re-election of the retiring directors: Messrs. Lang, Mackie, Bowlby, Knell and Fennell.

A kindly worded and appreciative motion was then unanimously passed in recognition of, and thanking the agents for their faithful work and the great care exercised in the selection of risks.

The shareholders' meeting then adjourned, after which the directors met to elect officers and committees. Mr. J. Fennell was re-elected president, and Mr. George C. H. Lang, vice-president. The executive committee of last year was reappointed.

ANGLO-AMERICAN FIRE INSURANCE COMPANY.

Mr. S. F. McKinnon, S. F. McKinnon & Co., Toronto, president.

Mr. J. J. Long, The T. Long & Brother Co., Collingwood, vice-president.

Directors,—Messrs. A. A. Allan, Messrs. A. A. Allan & Co., Toronto; John R. Barber, President Toronto Paper Co., of Cornwall, Georgetown; Dr. George H. Bowley, Berlin; A. B. Cunningham, barrister, Kingston; H. P. Eckardt, Messrs. H. P. Eckardt & Co.; John Flett, Flett, Lowndes & Co., Limited; John Gowans, Messrs. Gowans, Kent & Co.; W. J. Gage, The W. J. Gage Co., Limited; John Hallam, Alderman, Toronto; John Knox, Messrs. Knox, Morgan & Co., Hamilton; R. Millichamp, Messrs. Millichamp, Coyle & Co.; J. N. Shenstone, sec.-treas., Massey-Harris Co., Limited, Toronto; Hugh Waddell, Peterboro.

THE PRESIDENT'S ADDRESS.

Before moving the adoption of the report, which will be seconded by the vice-president, Mr. Long, I may be permitted to say a few words.

You will notice from the report now in your hands that we have only covered a portion of the year; the inaugural meeting having taken place in March last, it was well on in June before the company was in shape for writing business, therefore the report and financial statement may fairly be taken as only covering a period of seven full months.

The amount of business written and premiums received will compare very favorably for the initial period with any Canadian company confining their operations to the province of Ontario, as this company does.

The most important feature, however, is the very small loss ratio as compared with the premium income. You will observe this to be 18.19 per cent., the expense ratio being for the same period 32.10 per cent., the two combined being only 50.29 per cent., a very good showing, indeed, but one that I can scarcely ask you to hope to see maintained in the future. Many of the companies writing business in Canada have experienced a loss ratio running from 50 to 70 per cent. The losses in Canada by fire for the past year, or what is known as fire waste, show a very material improvement over the past six or seven years.

The amount of insurance written by this company during the period covered by the report was $5,294,833.83, and the amount of insurance in force after deducting expirations, cancellations, and reinsurances, was $3,553,974.83.

For the security of policy-holders we have, as the report shows, the following items:

Amount paid in on stock	$ 46,110 00
Balance from revenue account, after payment of fire losses, expenses of conducting the business and reinsurances	21,596 29
Amount remaining unpaid on subscribed stock	416,990 00
Making a total for this purpose of	$484,696 29

I regret to state that we have not been met in as friendly a spirit as we had hoped for by the Fire Underwriters' Association, or what is known as the tariff companies generally. The reason for this I think it best to leave you to surmise. The Anglo-American has no apologies to offer for being in the field, its aim being to do a judicious and carefully selected business at equitable rates, looking more to giving the benefit to the insured than the payment of excessive dividends to the shareholders.

You will note that the average rate charged on every $100 written by the company is $1.43 per cent. This rate will compare favorably with that of any other company writing business in Ontario.

The directors have deemed it best not to declare any dividend for the broken period out of the surplus on hand, but have carried the same forward to the credit of profit and loss account. If, however, our successors to be elected to-day should feel inclined to do so after the expiry of the full year period, I can see no reasonable objection to their doing so.

As our operations up to the present time have been confined to the province of Ontario, our directors would recommend with a view to extending the company's field of operations, that a Dominion license be obtained during the ensuing year.

One of the company's solicitors, Mr. Macrimmon, and myself, while on a visit to Great Britain in July last, were able to make very satisfactory arrangements for reinsuring surplus lines beyond the company's own retention.

I now have much pleasure in moving the adoption of the report and financial statement.

The vice-president, Mr. J. J. Long, in seconding the motion of the president, for the adoption of the directors' report and financial statement of the company, as submitted to the meeting, said: I have really nothing to add to the remarks made by the president, only that I desire to say that the affairs of the company are likely to continue to prosper so long as they are presided over by the president of the past year, and conducted by the able and careful manager of the company, Mr. Dean, whose whole time has been devoted ever since the company commenced to the promotion of its business and careful examination of all the details. The entire board, I consider, have been most attentive and most careful in all matters tending to the welfare of the company. I have, therefore, great pleasure in seconding the president's report.

The report was unanimously adopted.

A number of those present expressed themselves as being highly gratified with the report as just submitted and adopted.

The old board were re-elected.

At a subsequent meeting of the directorate, S. F. McKinnon, Esq., Toronto, was elected president, and J. J. Long, Esq., of Collingwood, vice-president.

The following report of directors was presented at the first annual general meeting of shareholders held at the Head Office of the company, McKinnon Building, Toronto, on Tuesday, 12 o'clock, noon, February the 6th, 1900.

REPORT.

In presenting the first annual financial statement of the company, the directors have pleasure in calling attention to the following result of the business of the company from its organization until 31st of December, 1899:

The first meeting of the shareholders, after the company's charter was granted, was held on the 27th of March, 1899, and although some business was written almost immediately after the said shareholders' meeting, it took at least two months in preparing the necessary forms for commencing business and appointing agents throughout the province, consequently the working expenses extend for a period in excess of that represented by the income.

The balance of income over expenditure, as shown by revenue account, is $21,596.29.

The loss ratio, in proportion to the company's premium income, after deducting re-insurance, is $18.19%.

The estimated liability on the current policies is $13,786.64, an amount sufficient, according to the past experience of insurance companies, to run off all existing risks, and after providing for this, there is a surplus upon the operations of the company to the end of the year 1899, of $7,809.65.

The directors express their appreciation of the efficient service of the officers, special agents and representatives of the company during the past year, all of which is respectfully submitted.

S. F. MCKINNON,
President.

FINANCIAL STATEMENT FOR THE YEAR ENDING 31ST DECEMBER, 1899.

REVENUE ACCOUNT.

Fire losses paid	$12,263 88	
Less reinsurance	4,077 09	
		$ 8,186 79
Commission and other charges		15,357 81
Balance		21,596 29
		$45,140 89
Premium receipts	$57,040 65	
Less cancellations and returns, $2,797.67; less reinsurance, $9,239.16	12,036 83	
		$45,003 82
Interest account		137 07
		$45,140 89

PROFIT AND LOSS ACCOUNT.

Balance from revenue account	$21,596 29
	$21,596 29