

Mr. Rawlings acknowledged the very high compliment paid him. He could only repeat what he had annually the pleasure of saying—that the prosperity of the Company was in no small degree the result of the vein of harmony which always existed between the Board and himself. He referred to the difficulties which had surrounded the expansion of the Company's business from its commencement—seeing that there had not been a single year of its existence, during which there was other than the cry of "commercial depression," "financial stringency," &c; and yet, notwithstanding that, the Company had made its way, and paid its way, and stood to-day with a very good round income and a genuine, straightforward surplus—in fact, in every respect in a sound and healthy condition, with all the *matériel* in the shape of a valuable connection and an effective organization ready to take advantage of the first dawn of those improved times which he hoped were soon to return. When they did arrive he looked to see the Company's business increased threefold or more, and he should leave no energy unused to accomplish it.

In thanking the meeting on behalf of the staff, he did so with great pleasure; it was still small, but the work was done as only work can be done when those employed in it have the interest of their employers at heart. The services of the two inspectors had been most satisfactorily and successfully performed, and had contributed materially towards the present extent of the Company's business. To the numerous agents he would also wish to record his thanks for their valuable efforts in the Company's welfare during the past year.

He also referred, as in the Guarantee Company, to the discrimination made between the balance in hand and the surplus or profit; and of the mode of determining the Company's actual position which, he observed in some other companies, whose audited reports had recently been issued, was not practised. He strongly advocated that all Ins. Co.'s make their returns to the shareholders and the public agreeable in their result to those which had to be furnished to the Gov't, and that they use synonymous and appropriate terms for their items. It was unfair that any company should be permitted to tell the public they have a "surplus" or a "net profit" when it was really only a *balance in hand*, subject to important deductions, which might convert them into a *deficit*, and go unchallenged, as it was not merely that it misled the public as regards themselves, but that it was likely to create doubt as to the genuineness of the "surpluses" of those companies who really had them. In one case, a company had stated that it had a "net profit" of a large sum, whilst there were claims outstanding against it for nearly three times the amount of the "net profit" referred to, and no provision made for premiums unearned, either. This was a striking example of the fallacy of using misnomers in such important matters.

No insurance company was consistent in claiming a "surplus" or "net profit," or in determining its real financial position, until it had charged or held against its assets every possible liability, and its unearned premiums. These latter, although in hand, were still not profit to the company until the risks they represented had run out, and must therefore be held in the meantime as a reducible debt against the premium fund or assets of the company.

He was able to say that the accounts of the companies which he had the honor of managing were rendered and audited in such a manner as to plainly show their actual position, and that every item in connection therewith was called by its right name and conveyed a clear and unequivocal meaning. He again begged to thank the meeting for their cordial vote, and could only assure them that his best energies would continue to be devoted to the Company's welfare.

The scrutineers reported the following gentlemen elected to fill the seats of the retiring directors:—Mr. John Rankin, Mr. D. L. MacDougall and Hon. Jas. Ferrier, Senator.

At a subsequent meeting of the Directors Sir A. T. Galt was elected President and John

Rankin, Esq., Vice-President. The Executive for the ensuing year is as follows:—

DIRECTORS.

President—Sir Alexander Galt, K.C.M.G.
Vice-President—John Rankin, Esq.
Thomas Cramp, Esq., D. L. MacDougall, Esq.,
And. Robertson, Esq., Edw. Mackay, Esq., R. J. Reekie, Esq., Jas. Rose, Esq., Wm. Moore, Esq., Quebec, and the Hon. Jas. Ferrier, Senator.
Manager and Secretary—Edward Rawlings.

ASSIGNMENTS.

PROVINCE OF ONTARIO.

T. H. Baine, Hamilton.
Thos. Sutherland, Chatham.

PROVINCE OF QUEBEC.

Adolphe Arcand, Quebec.
Achille Odilon Bilodeau, St. Joseph de Beauce.
Hamilton & Papineau, Montreal.
Chas. Alexander & Son, Montreal.
McIver & Co., Montreal.
B. Paquet, St. Nicholas.
Geo. Stevenson, Portage du Fort.
Edmond Biron, Joliette.

PROVINCE OF NOVA SCOTIA.

P. P. Archibald, Halifax.
Anderson, Smith & Co., Halifax.

WRITS OF ATTACHMENT.

PROVINCE OF ONTARIO.

Donald McMillan, St. Thomas.
Wm. Patton, Iroquois.
William Burke, Toronto.
Chas. B. Slater, London.
Minorgan & Elliott, Peterboro.
Abram Dingman, Norham.
G. W. Sibbald, Toronto.
Chas. Wiggins, Stayner.
Wm. J. Hammond, Toronto.
Chas. Webster, Barrie.
Jacob A. Courtney, Chatham.
W. A. Foster & Bro., Belleville.
James Emsay, Port Perry.
Almon Spencer, Lindsay.
Arthur Aikine, St. Catharines.
William Adams, Toronto.
Napance Gas Company, Napinee.

PROVINCE OF QUEBEC.

Louis Delorme, Montreal.
Desmarteau, Lamoureux & Crevier, Montreal.
H. Mathewson & Co., Montreal.
Rogers & Co., Sherbrooke.
H. Durand, Riviere du Loup en Haut.
Arthur Lacoste, Montreal.
Charles Boon, Montreal.
Jean Bte. Grégoire, Montreal.
Peter C. Seavey, Ascot.
Abram Wells, Ascot.
William Fletcher, Carillon.
Ephraim Garvin Eaton.
Francis W. Allen, Lachute.
Antoine Martel, Montreal.
J. Philip Withers, Montreal.
Marc Chagnon dit Larose, Montreal.
James Walker, Montreal.
Wm. Peppal & Son, Montreal.

PROVINCE OF NOVA SCOTIA.

E. Albro & Co., Halifax.
Hugh D. McLeod, Hopewell.
George Paquet, Pictou.
Charles A. Foster, Liverpool.
C. & R. Chambers, Windsor.

PROVINCE OF NEW BRUNSWICK.

M. Harrison, Portland.

THE DOMINION TELEGRAPH COMPANY.

Report of the Directors for the year 1877, and Minutes of Proceedings of the Ninth Annual Meeting of the Shareholders.

The annual meeting of the shareholders of the Company was held at the General Offices, No. 18 Front St. East, Toronto, at 12 o'clock, noon, on Wednesday, 13th of February, 1878. Amongst others, the following gentlemen were present:—

Hon. T. N. Gibbs, M. P., President, who occupied the chair, and Messrs. John I. Mackenzie, James Michie, Thomas Swinyard, Hon. Wm.

Cayley, Anthony Copp, Hon. M. C. Cameron, M. P. P., R. S. Cassels, W. J. Bains, James Taylor, Walter S. Lee, Robert J. Gooderham, J. Priestman, E. B. Osler, T. A. Gamble, J. Elliott, George W. Lewis, H. R. Forbes, G. Elliott, Wm. Rhind, H. Pellatt, Wm. Ramsay, James Bain, William Boulbee, John Leys, and F. Roper.

The advertisement convening the meeting was read by the Secretary, Mr. Roper, and the minutes of the previous meeting were taken as read.

The President then read the following report of the Directors for the year 1877:

Report.

1. The Directors have much pleasure in reporting that the gross revenue for 1877 amounted to \$177,081 88, as against \$146,555 75 for 1876, showing an increase for the year of \$30,527 13, or 17.24 per cent. The aggregate working expenses amounted to \$124,397 68, or at the rate of 70.25 per cent., on the gross earnings, as against 73.00 per cent., for the preceding year, being a reduction of 2.75 per cent.

The net revenue for 1877 amounted to \$52,684 20, as compared with \$39,565 59, for 1876, leaving, after the payment of interest on the bonded debt of the Company, a surplus of \$39,811 01, from which the Directors have been enabled to declare an interim dividend of 3 per cent., for the half-year ending 30th June last, and of 3½ per cent., for the closing half-year ending 31st December, and to carry forward a balance to the credit loss and gain account of \$3,108 36.

2. The following is a comparative statement of the gross revenue, working expenses, net revenue and the amount of paid-up capital upon which dividends have been declared for the last six years:—

Year.	Gross Revenue.	Working Expenses.	Percentage of Working Expenses to Gross Revenue.	Net Revenue.	Paid-up Capital.
1872	\$ 69,178 52	\$ 52,428 44	75 75	\$ 16,750 08	\$ 287,925 00
1873	109,208 81	83,839 41	80 39	25,369 40	370,585 00
1874	125,632 62	93,829 48	74 97	31,803 14	487,785 00
1875	146,555 75	107,879 40	73 69	38,676 35	589,268 50
1876	146,555 75	106,990 15	73 00	39,565 59	611,187 50
1877	177,081 88	124,397 68	70 25	52,684 20	611,820 00

3. The following general financial statement shows the liabilities and assets of the company on the 31st December, 1877:—

GENERAL FINANCIAL STATEMENT, 31ST DECEMBER, 1877.	
Liabilities.	
Capital stock authorized.....	\$708,000
" " paid up.....	\$611,820 00
First mortgage (1896) bonds authorized.....	292,000