

president, Mr. John Ostell occupied the chair, and among those present were Messrs. Jonathan Hodgson, Robert Archer, Wm. Smith, D. McCarthy (Sorel), James Williamson, Richard White, A. Savage, R. B. Angus, H. S. Macdougall, Alex. Robertson, John Robertson, W. MacKenzie, Murdoch Mackenzie and Dumas. After the minutes of the last annual meeting had been read and confirmed, the secretary, Mr. H. Cuth, read the annual

## REPORT.

The directors have the pleasure of presenting the fifteenth annual report of the company for the year ending December 31, 1887, together with the auditor's report thereon:

## Revenue.

Fire and marine premiums.....	\$495,739 59
Interest account.....	26,621 09
	<b>\$522,360 68</b>

## Expenditure.

Losses, fire and marine, including an appropriation for all claims to 31st December .....	\$343,980 68
Re-assurances and return premiums .....	63,451 99
Expense of conducting the business, including commissions, etc.	114,191 29
Balance at credit of profit and loss account.....	736 72
	<b>\$522,360 68</b>

## Assets.

Cash on hand and in bank to current account .....	\$44,514 25
Loans on collaterals .....	59,791 68
Canada Central railway bonds ..	144,126 31
Canadian Pacific railway land grant bonds.....	162,240 00
Consolidated fund of the city of Montreal .....	57,225 00
Dominion 4 per cent. scrip .....	101,226 32
Canada Cotton company's 8 per cent. bonds .....	6,748 75
Montreal Cotton company's 7 per cent. bonds .....	5,362 50
City of Montreal 5 per cent. debentures .....	30,842 50
Dominion 4 per cent. stock.....	8,220 00
Mortgages .....	24,000 00
Bills receivable—Marine premiums .....	27,034 52
Due from other companies for re-insurance .....	11,460 85
Agents' balances and sundry debtors .....	16,407 36
	<b>\$702,322 66</b>

## Liabilities.

Capital stock paid up .....	\$400,000 00
Losses under adjustment.....	37,320 96
Re-insurance reserve.....	165,847 72
Dividend No. 11, payable 15th February, 1888 .....	24,000 00
Unclaimed dividends .....	124 40
Surplus .....	75,029 58
	<b>\$702,322 66</b>

The past year has witnessed many serious fires, especially in the city of Montreal, and the marine casualties have been frequent and severe; yet the directors, considering the combined experience of all companies in the field to which we are restricted, congratulate themselves that our income and expenditure leave a margin on the right side.

Our surplus being large, and the experience of the year an exceptional one, the directors have deemed it prudent to declare and pay the customary dividend of six per cent., which leaves our surplus over all liabilities, at the close of the year, \$75,000.

All the directors retire this year, but are eligible for re-election.

Respectfully submitted.

ANDREW ROBERTSON,

President.

Montreal, 23rd February, 1888.

## AUDITOR'S REPORT.

MONTREAL, 13th February, 1888.

Andrew Robertson, Esq., President Royal Canadian Insurance Company, Montreal:

DEAR SIR,—Your company's books, vouchers and final statement for the year ended 31st December, 1887, have been examined by me during the year, and at the termination thereof, and found correct, complete and in proper order.

The cash, investments, securities and other assets owned by the company, as described in the final statements, as well as the liabilities

shown thereon, have all likewise been examined and verified by me in detail.

Yours respectfully,

JOHN McDONALD, Auditor.

On motion of Mr. Ostell, seconded by Mr. Murdoch Mackenzie, the report was adopted.

On motion of Mr. R. B. Angus, seconded by Mr. Wm. Smith, a resolution was adopted reducing the number of directors from nine to seven.

Messrs. H. S. Macdougall and W. Mackenzie were then appointed scrutineers for the election of directors.

Mr. Robert Archer said that Messrs. Hugh Mackay and George W. Moss, who had declined to serve on the board any longer, were directors years ago when the company was not in the flourishing condition in which it was at present, and had stood loyally by the company then. He would therefore move, "that we tender a hearty vote of thanks to these gentlemen for their valuable services in the past, and express our regret that we cannot retain them on the board any longer."

Mr. James Williamson seconded the motion, which was carried unanimously.

Mr. Williamson moved a vote of thanks to the other directors for their services. They were the right men in the right place, and while he regretted that it was necessary to raise the rate of insurance in the city of Montreal, he hoped that so soon as the corporation would give them a fire department that would be able to cope with the fires that occurred, these rates would again be reduced.

Mr. R. B. Angus seconded the motion, which was carried.

Mr. Ostell, in returning thanks, said that while the directors had done their best, they could have wished that the circumstances had been more favorable. Their losses had been comparatively moderate compared with some other companies; at the same time they were anxious to see the corporation fire department so improved that they would be able to reduce the rates. It was not profitable to an insurance company to have the rates too high; all they wanted was a fair remuneration. They had tried to husband the resources of the company in a manner most advantageous to the shareholders.

The scrutineers reported the following gentlemen elected directors for the ensuing year: Messrs. Andrew Robertson, Duncan McIntyre, Robert Archer, Jonathan Hodgson, Wm. Smith, John Ostell and Hon. J. R. Thibaudeau.

The meeting then adjourned.

At a subsequent meeting of the directors, Mr. Andrew Robertson was re-elected president and Hon. J. R. Thibaudeau vice-president.

## QUEEN CITY FIRE INSURANCE COMPANY.

The seventeenth ordinary general meeting of the shareholders in this company was held in the offices of the company, Church street, Toronto, on Wednesday, 29th February, 1888, the president in the chair.

The following report was submitted:—

## REPORT.

The directors have much pleasure in submitting to the shareholders the revenue account and profit and loss account for the past year, and the balance sheet showing liabilities and assets on 31st December, 1887.

The balance in favor of the revenue account of the past year, after deducting re-insurance, cancelled policies, all claims for losses and every other expense, amounts to \$15,083.18.

By referring to the profit and loss account it will be seen that the total sum at the debit of this account on 31st December was \$22,254.74, which has been appropriated as follows:—dividend No. 18 to shareholders, \$2,500; added to rest or reserve fund, \$2,500; leaving a balance at the credit of this account to cover re-insurance, reserve, etc., of \$17,254.74.

To keep pace with the marked progress our city is making it is necessary that our premises should be remodelled, by having an elevator in the building, together with the most perfect system of lighting and ventilation. It was our having the cost of these improvements in view that caused us to carry the sum we have to the credit of profit and loss.

This company has demonstrated in the most practical form the value of the system of "inspection" and "selection" in fire underwriting, having returned, since its organization in 1871, to its shareholders in dividends \$66,000. Now has at the credit of the rest \$75,000 and

of profit and loss \$17,254.74, making a total of \$158,254.74 earned by a paid-up capital of only \$10,000.

In accordance with the act of incorporation all the directors retire and are eligible for re-election.

HUGH SCOTT,

Managing Director.

THOS. WALMSLEY,

Secretary.

W. H. HOWLAND,

President.

## REVENUE ACCOUNT FOR YEAR ENDING DECEMBER 31st, 1887.

Dr.	
To premium income and rents.....	\$ 20,170 46
Interest income.....	4,770 54
	<b>\$ 24,941 00</b>

Cr.	
By salaries, directors' fees, stationery, advertising, commission, rent and postages.....	\$ 6,380 29
Re-insurance .....	1,067 22
Cancelled policies.....	1,133 75
	<b>2,200 97</b>

Claims paid .....	697 06
Claims adjusted and not paid till 1888 .....	579 50
	<b>1,276 56</b>
Balance to profit and loss .....	<b>15,083 18</b>
	<b>\$24,941 00</b>

## PROFIT AND LOSS ACCOUNT TO DECEMBER 31st, 1887.

Dr.	
To balance, Dec. 31st, 1886.....	\$ 7,171 56
Balance, revenue account, 1887....	15,083 18
	<b>\$22,254 74</b>

Cr.	
By dividend No. 18 to shareholders (25 per cent. on original paid-up capital) .....	2,500 00
Rest or reserve fund appropriation (which now amounts to \$75,000) .....	2,500 00
Balance (including re-insurance reserve, Government standard, 50 per cent.) .....	17,254 74
	<b>\$22,254 74</b>

## BALANCE SHEET FOR THE YEAR ENDING DECEMBER 31st, 1887.

Dr.	
To capital stock subscribed (50 per cent. paid up).....	\$100,000 00
Rest or reserve fund, 1886 .....	\$72,500 00
Rest or reserve fund from profit and loss account, 1887 .....	2,500 00
	<b>75,000 00</b>
Dividend No. 18 to shareholders.....	2,500 00
Dividend to policy-holders.....	2,500 00
Less rebates allowed....	57 62
	<b>4,942 38</b>
Sundry creditors .....	123 92
Loss appropriation revenue account, 1887.....	579 50
Balance profit and loss account, 1887 .....	17,254 74
	<b>\$197,900 54</b>

Cr.	
By capital liable to call .....	\$50,000 00
Real estate—company's building, 22, 24 and 26 Churchstreet, Toronto.....	\$61,000 00
First mortgages on real estate, valued at \$136,800.....	54,944 00
	<b>\$115,944 00</b>

Debenture, Freehold Loan & Savings Company .....	\$10,000 00
Twenty-three shares Imperial Bank stock, market value.....	2,944 00
Seventeen shares Standard Bank stock, market value .....	1,026 29
Forty-two shares Consumers' Gas Company, market value.....	3,744 56
Sixty-six shares Canadian Bank Commerce, market value.....	3,621 42
Twenty-six shares Dominion Bank, market value.....	2,691 00
Cash on deposit in Dominion Bank .....	97 68
	<b>21,154 95</b>