

Imperial Trusts Co.	505 68
Cash on deposit, Traders' Bank...	250 80
	\$ 86,742 02

\$218,856 34

I certify that I have audited the books and examined the vouchers and securities of the company for the year ending 31st December, 1901, and find the same to be correct, carefully kept and properly set forth in the above statements.

HENRY W. EDDIS, F.C.A.,
Auditor.

Toronto, Feb. 7th, 1902.

The president, James Goldie, in moving the adoption of the report, said:

It affords me great pleasure to repeat on this occasion what I have been able to state at all our past annual meetings, namely: That the financial statements now before you must be considered highly satisfactory.

The rates of premium we have exacted have been equitable and very reasonable, based on actual experience. In addition to these features we have annually declared ten per cent. (10%), bonus dividends to our members, which have amounted in the aggregate to \$40,954.08.

By referring to the profit and loss account it will be seen that we have at the credit of this account alone a ratio of four sixty-three per cent. (4.63%), to our gross liability or amount at risk.

The foregoing results, I believe, are unprecedented in the history of fire underwriting.

The vice-president, J. L. Spink, seconded the adoption of the report.

The report was adopted, the retiring directors unanimously re-elected, and at a subsequent meeting of the directors, James Goldie was re-elected president, and J. L. Spink, vice-president.

The board of directors is now constituted as follows: James Goldie, Guelph, president; J. L. Spink, Toronto, vice-president; Hugh Scott, managing director; Thomas Walmsley, treasurer; H. McCulloch, Galt; W. Bell, Guelph; George Gillies, Toronto; W. Wilson, Toronto; A. Watts, Brantford.

FIRE INSURANCE EXCHANGE CORPORATION.

STOCK AND MUTUAL,
ESTABLISHED 1886.

The annual meeting was held at the offices of the corporation, 32 Church St., Toronto, on Monday, 24th February, 1902, the president, Frederick Wyld, in the chair; the manager acting as secretary, when the following report was submitted:

REPORT.

Your directors beg to submit the fifteenth general statement of the business of the corporation, comprising revenue and profit and loss accounts for the past year, and the balance sheet, showing liabilities and assets on 31st December, 1901.

The number of policies in force at the close of the year was 610, covering, after deducting reinsurance, the sum of \$1,551,919.

The revenue for the past year amounted to \$29,038.94, after deducting reinsurance and all expenses, including claims paid for fire losses, the balance remaining to carry over was \$10,761.28.

By referring to the profit and loss account, it will be seen that the surplus over all liabilities, including reinsurance reserve, amounts to \$3,609.38.

The retiring directors this year are Messrs. J. F. Eby, W. B. Hamilton, S. F. McKinnon and Hugh Scott.

All of which is respectfully submitted.
HUGH SCOTT, FREDERICK WYLD,
Manager and Secretary. President.

REVENUE ACCOUNT FOR YEAR ENDING 31ST DEC., 1901.

Dr.

To premium income and interest, 1901 \$29,038 94
\$29,038 94

Cr.

By reinsurance \$2,154 05
Cancelled policies and rebates 1,408 24
\$ 3,562 29

Salaries, directors' fees, travelling expenses, advertising, rent, postage, etc. \$5,673 38
Claims—Fire losses ... 9,041 99
\$14,715 37
Balance to profit and loss 10,761 28
\$29,038 94

PROFIT AND LOSS ACCOUNT, TO 31ST DEC., 1901.

Dr.

To balance carried over from 1900 \$ 2,730 23
Revenue account, 1901 10,761 28
\$13,491 51

Cr.

By claims under adjustment (since paid) \$ 305 77
Reinsurance reserve.. \$9,576 36
Balance, surplus over all liabilities 3,609 38
\$13,185 74
\$13,491 51

BALANCE SHEET, 31ST DEC., 1901.

Liabilities.

To capital stock (ten per cent. called up) \$145,500 00
Profit and loss (including reinsurance reserves 13,185 74
Reinsurance undertakings in force 374 30
\$159,060 04

Assets.

By capital stock liable to call \$130,950 00
Undertakings in force.. \$7,010 15
Call loans Commercial Cable 4,250 00
Cash on deposit, Standard Bank 3,537 21
Cash on deposit, Imperial Trusts Co. 1,852 55
Cash on deposit, Canada Permanent and Western Canada Mortgage Corporation 10,408 84
Debtors' and creditors' balance 1,051 29
\$ 28,110 04
\$159,060 04

I hereby certify that I have audited the books and examined the vouchers and securities of the corporation for the year ending 31st December, 1901, and find the same correct, carefully kept, and properly set forth in the above statements.

HENRY WM. EDDIS, F.C.A.,
Auditor.

Toronto, Feb. 4th, 1902.

The president, Frederick Wyld, in moving the adoption of the report, said: I very heartily congratulate you that the board is able to present so satisfactory a result, especially as we know that for the past three years the fire waste of this continent has been so enormous as to have driven many companies into liquidation in the United States. A meeting was held in New York recently of officials of many companies to consider the present alarming conditions of Fire

Insurance, and a resolution was passed to increase the premium rates 25 per cent. and over in the greater portion of the United States. This action was considered imperative in order to prevent a still further number of companies retiring from an unprofitable business.

I may be pardoned for alluding to a remark made at the last annual meeting, that "drastic reforms" in the management of fire insurance companies were necessary in order to make them generally profitable. I am more convinced than ever that the mere advance of rates (which may be only partially right), is not the only remedy to apply, but first of all a careful selection of risks should be insisted upon, with discriminating rates according to the hazard, second intelligent inspection should be frequently made, and where risks are not up to the standard in care, order and cleanliness, cancellations should be enforced.

By adopting this course a very substantial reduction of the fire waste would be effected.

The careful, prudent insurer should be amply protected in getting his insurance at reasonable rates. I refer to this because as business men we are all interested in the prosperity of insurance; it is, where merchandise is concerned, the mainstay of credit, and should itself be governed by sound methods.

The report was adopted, the retiring directors re-elected, and at a subsequent meeting of the board, Frederick Wyld was re-elected president and R. W. Elliot, vice-president.

HOME LIFE ASSOCIATION OF CANADA.

The annual meeting of the policyholders and shareholders of The Home Life Association of Canada was held at the head office, Home Life Building, corner Adelaide and Victoria streets, Toronto, on Tuesday, February 11th, 1902.

In the absence of the president, Hon. Richard Harcourt, the first vice-president, Mr. John Firstbrook, acted as chairman, and the managing director, Mr. A. J. Pattison, was secretary of the meeting.

The following were present: Rev. Edward T. Fox, Toronto; Thomas Elliott, Brantford; Rev. A. L. Gee, St. Catharines; E. O. Apps, Paris; John Hillock, J. Firstbrook, J. J. Watson, W. F. Fletcher, M.D.; A. D. Watson, M.D.; John S. King, M.D.; H. M. Stevenson, A. J. Pattison, J. S. King, A. Ogden, Rev. William Briggs, D.D.; F. Diver, W. E. Link, James W. Curry, K.C.; Thomas Bates, J. Greig, Toronto; T. H. Parker, Woodstock.

The following is a condensation of the annual report:

Life Insurance.

The applications for new insurance amounted to \$781,924, as follows:

New policies issued.. \$687,924 00
Pending or declined.. 94,000 00

\$781,924 00

The total insurance in force at the close of the year was \$2,556,572, under 1,994 policies.

The transfer of policies issued under the former charter to the new legal reserve standard basis of 3½ per cent. (H.M.) has proceeded to the satisfaction of your board, and policies amounting to \$232,865 have been changed upon terms satisfactory to the policy-holders and to the company.

Cash Premium Income.

The statement of premium income shows a gratifying increase:

1899 \$27,856 26
1900 58,294 12
1901 73,351 17