might not arise. Among other things that we have asked for, in conjunction with other companies, is the registration of fires, but this has never been granted; in fact, in place of relief being afforded to mutual companies, the legislature saw fit to increase the registration fee from $100 to $150. This registration amounts to just nothing, for no inspection has ever been made of our books by the inspector of insurance. This is no benefit whatever to the public, nor does it afford any security to our members. This year a bill to increase the revenue of the province was passed, which has entailed a cost to us of $614.81, in addition to the $150 fee mentioned. We consider this decidedly unfair to members of a mutual company, as it prohibits us from reducing our rates of insurance, even under favorable circumstances.

Legal Expenses.—These appear to be rather large, but are owing in a great degree to the case of a defaulting agent; this is being remedied, inasmuch as your board have entered into a contract with a leading guarantee company, so that all our agents are now obliged to carry guarantee bonds for the satisfactory performance of their duties, a step which, no doubt, will meet with your approval.

Reinsurance.—Your board have entered into an agreement with a strong English company, to reinsure surplus lines, which will enable us to write policies for larger amounts than formerly.

Inspectors' Report.—This report shows clearly the cause of every fire, as nearly as could be ascertained, but we regret very much the number of fires from unknown causes, the majority of which, it is feared, must be attributed to incendiarism. On the whole, your directors have reason to be proud of the results of last year's business. The financial report appended hereto will, no doubt, be gratifying to the members, showing the results that have been attained.

Agents of the company, on the whole, have given great satisfaction. We flatter ourselves that our present staff are men well adapted to the business and sincere in the interests of the company.

Three directors now retire. They are: Richard Gibson, Robert McEwen and Charles C. Hodgins, all of whom are eligible for re-election.

All of which is respectfully submitted.

D. C. MACDONALD, Manager. T. E. ROBSON, President.

The three retiring directors were afterwards re-elected by a unanimous vote.

CAPITAL ACCOUNT.

Assets.

Amount available on premium notes	$254,750 38
Amount due on assessment No. 37	1,221 95
Amount due on assessment No. 38	28,339 37
Amount due on assessment No. 39	18,394 62
Balance due from agents, in course of collection	9,343 15
Office furniture, safe, etc.	2,000 00
Bills receivable	940 03
City of St. Thomas debentures, par value, $22,600; market value, $24,577.50; town of Tilsonburg debentures, par value, $6,500; market value, $7,263.75; Ontario Loan and Debenture Company, market value, $13,260; Huron and Erie Loan and Savings Company, market value, $13,260.	58,361 25
Accrued interest on debentures	402 67
Real estate, including office building	16,000 00
Cash in Molson's Bank	27,541 53
Cash in treasurer's hands	720 36
Total	$418,075 31

Liabilities.

Losses adjusted, but not due	$ 11,921 34
Net surplus of assets	$406,153 97

Audited, compared with the books and found correct, as above set forth,

JOHN OVERELL, Auditor.

London, February 7th, 1900.

FIRE INSPECTORS' REPORT.

Unknown causes head the list with a large increase. Defective chimneys, stoves and pipes show an increase. Lightning was lighter to buildings and heavier to animals, but much lighter in the total. Lamps and lanterns show an increase, and incendiary and tramps a decrease. The steam thresher losses were less, owing to favorable weather during the threshing season. The losses from miscellaneous causes were small. There is no question that a large percentage of the losses classed unknown could well be accounted for in some other way, if the claimants wished to disclose the true cause. It is regrettable that so many fires occur from bad chimneys and stove pipes, as it can hardly be possible that the assured are ignorant in so many cases of their condition, and we would again call their attention to the statutory conditions governing this.

We find many cases of defective wiring in places lighted and power supplied by electricity, careless and cheap work being responsible for many losses, and they will be on the increase unless closely watched.

As our income was much larger than in former years, the result of the year's operations leaves a handsome surplus.

All of which is respectfully submitted.

(Signed) LAUGHLIN LEITCH,
D. WEISMILLER,
Inspectors.

ECONOMICAL FIRE INSURANCE COMPANY.

The 28th annual meeting of the Economical Fire Insurance Company was held at the head office of the company, Berlin, Ont., on Friday, January 26th. There was a fairly large attendance of shareholders present, and all expressed themselves as being pleased with the result of 1899's business.

Among those present were: J. Fennel, G. Lang, J. S. Hoffman, J. A. Ross, W. H. Bowlby, J. A. Mackie, S. Merner, F. Snyder, H. Knell, L. J. Briethaupt, P. S. Lautenschlager, H. L. Janzen, Dr. Lackner, C. Kranz, W. V. Uttley, P. Jansen, Elmira; L. Peine, New Hamburg; G. Pattinson, Preston; C. Pabet, Hespeler; E. Wilson, Paris; Isaac Hord, Mitchell; Frank Turner, G. G. Burnett, T. S. Minton, Toronto.

The president, Mr. John Fennell, presided over the meeting, and Mr. W. H. Schmalz acted as secretary. On calling the shareholders together, Mr. Fennell read the report of the directors, as follows:

REPORT.

Your directors beg to submit the following report, being the 28th in the history of the company, and in doing so have much pleasure in pointing to a successful year's business.

In comparing the total income of the company with that of 1898, you will observe a slight decrease. This, however, is not caused by any falling off in business, as you will see the premium income itself has increased by about $4,000. The decrease occurs through the amount received for reinsurance claims, which is $6,680 less than the amount received in 1898.

The amount paid for 290 losses amounted to $82,734.76, of which $8,508 belonged to 1898, and only the sum of $4,467.73 is carried over, as a liability for unadjusted losses at the close of the financial year.

The total assets of the company, consisting of cash, securities, real estate, and premium notes, have increased by $18,345.73 during the past year. The amount of cash assets now totals up to $117,928.27, as compared with $105,276.72 in 1898. An additional asset of $5,000 for Goad's plans, with which the company is well provided, is not included as an asset.

The amount that would be required to reinsure all outstanding risks on the cash system, were it found necessary to do so, is $49,000. The total amount at risk now is $15,200,000.

The financial statement, verified by the auditors, is before you, the details of which you will find very satisfactory. An examination shows the net premium receipts to be divided as follows: Fire losses, 56 per cent.; expenses of management, 34 per cent., and profit, 10 per cent. The selection of Mr. J. A. Ross, as inspector, in place of Mr. A. B. Powell, resigned, is, we believe, a wise choice. He is a capable man of many years' experience in that important department of insurance. The duties of the office staff have been well and truly performed, and the books neatly and correctly kept.

The retiring directors are: Messrs. Lang, Knell, Mackie, Bowlby, and Fennell, and all are eligible for re-election.

Respectfully submitted on behalf of the directors,

JOHN FENNELL, President.

Berlin, 26th January, 1900.

The report was adopted on motion of Mr. Fennell, seconded by the vice-president, Mr. G. C. H. Lang.

The manager, Mr. Hugo Kranz, then read the financial statement for the year ending December 31st, 1899:

FINANCIAL STATEMENT.

Balance from 1898		$105,276 72
Receipts.		
Prem.—Cash System	$86,134 80	
Prem.—Mutual system	22,275 95	
Prem.—Instalments	36,310 53	
Prem.—Additional	942 01	
Reinsurance	7,598 83	
Interest and rents	4,770 90	
Transfer fees	152 75	
		158,185 77
		$263,462 49

Expenditures.

Losses	$82,734 76
Com.—Cash system	16,227 53
Com.—Mutual system	4,474 54
Com.—Instalments	7,052 75
Reinsurance	11,971 34
Salaries, directors' and auditors' fees	8,682 50
Rebates and returned premiums	6,661 58
Adjusting and travelling expenses	1,837 02
Printing, advertising and stationery	1,377 27
Postage, telegraph, telephone, express and exchange	1,205 63
Rent and interest on assumed mortgage not due	880 00
Law costs	593 32
Goad's plans	486 40
Government license and tax	511 19
Municipal taxes	300 45
Repairs, care of office and sundries	416 48
Fuel and light	121 46
Balance	117,928 27
	$263,462 49

Assets.

Deposit receipts, Canadian Bank of Commerce	$41,000 00
Cash current account in Canadian Bank of Commerce	10,694 60
Cash at office	4,908 02
Mortgages	30,145 39
Real estate	18,475 00
Agents' balances	11,943 87