

<i>Cr.</i>	
Balance from last year.....	\$ 5,391 50
Profit for the year as above.....	99,030 98
	<hr/> \$104,422 48

<i>Liabilities.</i>	
Capital stock paid up.....	\$500,000 00
Losses under adjustment.....	141,854 76
Dividend payable Jan. 9th, 1888....	25,000 00
Reserve fund.....	\$775,000 00
Balance, profit and loss.....	317 81
	<hr/> 775,317 81

<i>Assets.</i>	
United States bonds.....	\$547,210 00
Dominion of Canada stock.....	146,297 25
Loan company and bank stock..	120,590 00
Company's building.....	65,000 00
Municipal debentures.....	74,268 91
Cash on hand and on deposit....	202,889 10
Bills receivable.....	58,176 75
Mortgages.....	25,350 00
Re-assurance due from other companies.....	25,556 23
Interest due and accrued.....	5,493 64
Agents's balances and sundry accounts.....	171,340 69
	<hr/> \$1,442,172 57

J. J. KENNY,                      A. M. SMITH,  
Managing Director.            President.  
Western Assurance Offices,  
Toronto, Feb. 14th, 1888.

## AUDITORS' REPORT.

To the President and Directors of the Western Assurance Company:

GENTLEMEN,—We hereby certify that we have audited the books of the company for the year ending 31st December, 1887, and have examined the vouchers and securities in connection therewith, and find them correct, and the above statements agree with the same.

R. R. CATHERON,            } Auditors.  
JOHN M. MARTIN,           }

Toronto, February 14, 1888.

The President in moving the adoption of the report, offered his congratulations to the shareholders on the prosperous statement which had just been read by the managing director, to whose unceasing energy and care, assisted by a thoroughly loyal and experienced staff, they were largely indebted for the satisfactory report just put in their hands. It would be noticed that the net premiums were some \$245,000 over those of the previous year, the business in each branch showing a considerable increase, and while the net profit was not equal to that of 1886, he thought he was quite safe in saying that the statement, comparatively speaking, was a better one than that presented at the last annual meeting, for it must be borne in mind that the fire losses in Canada and the United States have exceeded by several millions those of the preceding year, while marine disasters on the lakes during the fall months were exceptionally numerous and heavy. It was, therefore, with no little satisfaction that he presented a report showing a profit balance on the year's transactions of close upon \$100,000. While the directors had continued their policy of requiring a thorough inspection and supervision of the business of the company, believing judicious expenditure in this direction to be true economy, it would, nevertheless, be gratifying to the shareholders to note that the ratio of expenses to premiums was a fraction lower than that of last year, being thirty and one-half per cent., a figure which compares favorably with that of other companies transacting a similar business.

It was, he thought, unnecessary for him to refer to the amount written off the value of securities to bring them to their market value at the close of the year, which, considering the extent of the company's investments and the general reduction in values since the last report, must be considered a very moderate sum. The total assets are now \$1,442,172, of which nearly \$700,000, or close upon one-half, are invested in United States and Canadian Government securities, a financial exhibit which he was sure the shareholders would agree with him justified their pride in the Western as a Canadian institution, and must command for it an increasing share of the patronage of the insuring public so liberally bestowed upon it in the past.

Mr. William Gooderham, the vice-president, seconded the adoption of the report, which was carried unanimously, and on motion of Mr. James Scott, seconded by Mr. Robert Thompson, a vote of thanks was passed to the president, the vice-president, and board of directors for their services and attention to the interests of the company during the past year.

Messrs. F. J. Stewart and William Anderson having been appointed scrutineers, the election of directors for the ensuing year was proceeded with, and resulted in the unanimous re-election of the following gentlemen:—Messrs. A. M. Smith, Wm. Gooderham, Hon. S. C. Wood, Robert Beaty, A. T. Fulton, Geo. A. Cox, Geo. McMurrich, H. N. Baird, J. J. Kenny.

A meeting of the board of directors was held subsequently, and Mr. A. M. Smith was re-elected president, and Mr. Wm. Gooderham, vice-president.

## MERCANTILE FIRE INSURANCE CO.

The twelfth annual meeting of the Mercantile Fire Insurance Company was held at the company's head office, in the town of Waterloo, Ont., on the 2nd February instant.

Stockholders holding \$86,000 of the capital stock of the company were present. The president, Mr. I. E. Bowman, occupied the chair, and Mr. P. H. Sims, secretary of the company, acted as secretary of the meeting. The following report and financial statement were read:

## REPORT.

GENTLEMEN,—The directors of your company beg to submit the following as their report for the year ending on the 31st December, 1887.

The number of policies and renewals issued during the year is 6,594, for insurance amounting to \$6,970,424 on which we received for premiums the sum of \$97,889.48.

We also received from interest on our investments the sum of \$4,201 55, making our total receipts for the year \$102,191 03.

Our expenditures for the year are as follows: Paid on account of losses for the year, \$52,085 62; Agents' commissions and bonuses, \$15,965 32; Salaries and directors' fees, \$4,270 87; Adjusting losses and inspecting risks, \$1,370 72; Re-insurance and cancelled premiums, \$13,473 93; Books, stationery, postage, printing and advertising, \$2,135 72; Government charges, \$268 89; Rent and taxes, \$505 35; All other charges, \$1,066 91; total, \$91,143 33.

The gross assets of the company at the close of the year were \$90,450 80; and the liabilities as under: Claims under adjustment, \$7,671 97; Dividend No. 12, for 1887, \$1,600 00—\$9,271 97; Balance, \$81,178 83.

The total insurance in force on the 31st December, 1887, was \$8,181 279, and the re-insurance liability thereon \$43,460 84.

The secretary's statement of receipts and disbursements, assets and liabilities, the certified report of your auditors and a list of the stockholders of the company, with the amount of stock held by each, are herewith submitted for your information.

On behalf of the board,

I. E. BOWMAN, President.

Waterloo, 2nd Feb'y, 1888.

## FINANCIAL STATEMENT FOR YEAR ENDING 31ST DECEMBER, 1887.

## Receipts.

Balance per last statement.....	\$ 62,460 45
Premiums, Fees, &c.....	97,989 48
Interest.....	4,201 55
	<hr/> \$164,651 48

Balance.....	\$67,193 25
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## Disbursements.

Losses for 1886.....	\$ 4,714 90
Dividend No. 11 for 1886.....	1,600 00
Losses for 1887.....	52,085 62
Re-Insurance and cancelled premiums.....	13,473 93
Agents' Commissions and Bonuses.....	15,965 32
Salaries and Directors' Fees.....	4,270 87
Postage, Printing, Advertising, Books and Stationery.....	2,135 72
Adjusting Losses and Inspecting Risks.....	1,370 72
Rent and Taxes.....	505 35
Government charges.....	268 89
All other Charges.....	1,066 91
Balance.....	67,193 25
	<hr/> \$164,651 48

## Assets.

Cash from Agents at Head Office ..	\$ 3,252 59
Cash Acct., Molsons Bank.....	2,420 53
First Mortgages on Farms.....	54,601 00
Debentures.....	19,570 55
Stock, G. & O. I. & S. S.....	1,120 00
Office Furniture, and Goad's Plans	379 32
Bills Receivable.....	1,705 43
Agents' Balances.....	5,696 38
Interest Accrued.....	1,696 00
	<hr/> \$90,450 80

Balance.....	\$61,178 83
Stock paid up.....	20,000 00

Total Assets.....\$81,178 83

## Liabilities.

Capital Stock paid up.....	\$20,000 00
Claims under adjustment.....	7,671 97
Dividend No. 12 for 1887.....	1,600 00
Balance.....	61,178 83
	<hr/> \$90,450 80

The amount deposited with the Treasurer of Ontario is \$20,129.00.

Audited and found correct.

ISRAEL D. BOWMAN, } Auditors.  
THOMAS HILLIARD, }

Waterloo, January 19th, 1888.

## AUDITORS' REPORT.

To the Stockholders of the Mercantile Fire Insurance Company:

GENTLEMEN,—We have the honor to report that we have made a careful examination of your secretary's books of account, comparing the original applications of the year 1887 with the entries of premiums appearing in the application register, verifying all the additions and the posting of the same, also comparing all items of expenditure charged with the vouchers therefor, and examining the original securities representing the company's investments, the value of which we have likewise computed with accrued interest to the 31st of December, 1887.

It affords us much pleasure to certify that the secretary's balance sheets and statements of assets and liabilities herewith submitted are correct.

We believe the stockholders may properly congratulate themselves upon the sound financial standing of the company, as well as upon its prospects of doing in the future as in the past, a safe, steadily growing and successful business.

All of which is respectfully submitted.

ISRAEL D. BOWMAN, } Auditors.  
THOMAS HILLIARD, }

Waterloo, January 19th, 1888.

The president, in moving the adoption of the reports, said that there was no special feature of the past year's business which called for discussion.

The volume of the business and amount of premium income are slightly in excess of last year, which is an indication that public confidence in the Mercantile is fully maintained.

On the 31st of September, at the close of the third quarter of the year, the business showed a profit of about eleven thousand dollars, which lead your directors to hope that at the end of the year they would have a handsome surplus to report; but the fire losses for the last three months were so far above the average that our surplus for the year is not much more than sufficient to pay a dividend of 8 per cent. on the paid-up capital.

Mr. Alex. Millar seconded the adoption of the report, which was unanimously carried.

It was moved by Mr. James Lockie, seconded by Mr. Simon Snyder, and resolved, that in future the board shall not approve of any transfer to any individual or firm whereby such individual or firm shall become the holder of more than 120 shares in all of the capital stock of this company.

Moved by Mr. Chas. Hendry, seconded by Mr. John Shuh, and carried, that Messrs. James Lockie and Simon Snyder be appointed scrutineers for receiving and reporting the result of the ballot for the election of directors.

The scrutineers reported as follows:

We, the undersigned scrutineers, hereby certify that we have carefully counted the ballots for the election of directors, and report the following duly elected for the year 1888: Messrs. I. E. Bowman, M. P., D. S. Bowlby, M. D., Cyrus Bowers, R. Melvin, J. B. Hugseg, John Shuh, E. W. B. Snider, M. P. P.

JAMES LOCKIE, } Scrutineers.  
SIMON SNYDER, }