LONDON MUTUAL FIRE INSURANCE COMPANY.

The London Mutual Fire Insurance Company of Canada held its 35th annual meeting in the offices of the company, London, on the 6th Feb. Among the members and agents present were Capt. T. E. Robson, president, Ilderton; A. Campbell, Appin; Jos. H. Marshall, London; John Geary, London; Richard Gibson, Delaware.

Capt. Robson, president, read the review of the board as follows:

REPORT.

This is the thirty-fifth annual report of your company, and the directors take pleasure in chronicling the fact that the volume of business has increased during the past year by the largest issue of policies since the establishment of the company in the year 1859, thus showing that the confidence of the public in the "old London Mutual" strengthens with age, no fewer than 15,962 policies having been issued, insuring property to the amount of $18,042,906.42, which, added to the sum theretofore insured, amounts to $45,597,436.62 at risk on the 31st day of Dec., 1894, covered by 41,940 policies. This may be called the bright side of our report, but we must now turn to the other.

Our table of losses, which have far exceeded the average, amounted to the sum of $126,734.57, of which $117,640.87 occurred during the year, and $9,093.70 that were carried from the previous year, either not having been reported or inspected or fallen due at the end of 1893. The table of losses appended hereto, together with the inspector's report, will point out the causes of fire as nearly as could be ascertained. It will be found that lightning has again been a leading factor, the claims from this cause amounting to $24,498.25—nearly one-fourth of the whole bill of losses. It is a remarkable incident that the yearly claims for loss from lightning have for the last few years approached so closely. In 1892 we paid $25,266.39; in 1893, $26,817.08; and for 1894 the figures stated above, while for 1890 the lightning claims amounted to but $11,698.03, which was then considered a high average. For 1891 they had increased to $16,218.52, but the heavy increase occurred in the years above stated. Our experience in this respect has been that of all other companies, but as we carry many millions of dollars more insurance on farm property than any other company, we suffer correspondingly. Lightning claims may therefore to a great extent be the principal reason for farm insurance becoming so unpopular with all underwriters, many withdrawing from the business altogether, but other causes exist as set forth in the inspector's report. Many of these, however, are within the reach of prevention, particularly in the close inspection of risks by persons specially qualified for the task, and your board have already experienced the good results by falling off in losses in agencies that have been gone over, and this in such a marked degree that the board feel themselves justified in continuing the good work.

Your directors have not lost faith in the idea that farm insurance may yet be afforded at low rates, with profit, and with this conviction they made an arrangement of a satisfactory nature with the Agricultural Insurance Co., of Watertown, N.Y., to take over the farm business of that company in Western Ontario, the principal object of this arrangement being to retain the best of their risks, to weed out those objectionable and permit us to apply the pruning-knife to our own, and with a combined select class of business to increase up the average so as to equalize the losses and expenses, and afford insurance, if at all possible, at lower rates in the future. This applies not only exclusively to the farm business, but also to the general insurance business as well, our experience having shown that with care the latter can be introduced with profit.

FINANCIAL STATEMENT.—A full financial statement of receipts and expenditures, assets and liabilities is shown in the tables annexed hereto, and here it is perhaps as well to draw the attention of the members to the fact that for years past nothing was collected from the members at the time of insuring, but was held over until the end of the second year. This necessitated the borrowing of money in anticipation of the assessment, a method your board found met the disapproval of many members. So a change was wisely determined on, and now a sum of at least one-half the probable cost of insuring will be collected within the first year of the policy. The change could have no practical effect last year. Now month by month the premiums will be coming in, which will wipe off all existing liabilities, and in the end meet all demands without the necessity of borrowing money.

LEGISLATION—In previous years' reports we pointed out that not only in the interests of insurance companies, but for the public good, a fire marshal, with experienced detectives under him, should be appointed to check the increasing crime of incendiarism. This officer could be attached to the Department of Insurance, and thus make that office of some practical utility, but hitherto the Government have turned a deaf ear to the question. Now that new blood has been introduced into the House by the election of Patrons of Industry, something may be done, as also with the question of regulating the running of steam threshers, etc., and we hope by another year to have something favorable to report on the subject.

ECONOMY IN MANAGEMENT—As in the past, it has been the aim of the directors to practice economy as far as possible, and a comparison with other companies, taking into consideration the business done by us, will show in our favor.

Your board cannot close their report without referring to the death of the late vice-president, Daniel Black, Esq., which occurred on the 6th of January. Mr. Black was the last survivor of the original board of directors. He died at a ripe old age, retaining his fidelity to the company, and it was his constant boast that in over thirty years, excepting during a brief visit to his native land, he had never missed a board meeting. His familiar face will ever be remembered by his old colleagues.

It will be necessary to elect three directors in the place of J. H. Marshall, M.P., and Angus Campbell, Esq., and who are eligible for re-election, and to fill the vaaancy caused by the death of Mr. Black.

All of which is respectfully submitted.

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

London, Feb. 6th, 1895.

The financial report was read by Treasurer D. McMillan, as follows:

Receipts.

Cash in treasurer's hands	$ 115 25
Balance in Molsons Bank	3,649 57
Received from agents	62,901 60
Assessments	93,489 66
Bills payable	65,000 00
Interest	2,991 43
Transfer fees	331 17
Extra premium	54 09
Steam thresher license	4 00
Assessments in advance	378 05
Rents	372 70
Bills receivable	28 65
Reinsurance	202 16
Old assessments	117 45
Cancelled policies	135 43
Molsons Bank	2,582 95
City of Hamilton debentures	10,920 00
	$243,274 16

Disbursements.

Losses	$126,734 57
Bank commission	48 97
Loss, inspection, and Inspector's salary	2,552 01
Agency inspection	1,167 12
Commission to agents	19,148 50
Salaries—officials, auditors and clerks	8,707 21
Directors' fees	1,237 35
General postage	1,292 90
Agents' postage	581 08
Printing, advertising, and stationery	2,075 05
Law expenses	1,393 44
Reinsurance on large risks	365 19
Returned premium	266 68
Taxes	421 62
Fuel and light	103 06
Discount on stamps sold	7 35
Sending annual reports	148 83
Ontario license fee	100 00
Dominion Government inspection	67 28
Expenses re Agricultural transfer	160 95
Petty expenses—telegrams, water, telephone, etc	407 68
Over-paid premium returned	682 01
Bills receivable	24 00
Interest	3,534 36
Real estate	100 00
Rewards and gratuities	325 00
Bills payable	60,000 00
Cash in Treasurer's hands	701 95
Huron & Erie Loan & Saving Co. debentures	5,460 00
Ontario Loan and Debenture Society debentures	5,460 00
	$243,274 16

I have examined the books, vouchers and all accounts of the London Mutual Fire Insurance Company, and find the above statement correct in accordance therewith.

JOHN OVERELL, Auditor.

London, 5th February, 1895.

CAPITAL ACCOUNT.

Assets.

Amount available of premium notes		$252,727 11
Amount due on assessment No. 32		2,604 31
Amount due on assessment No. 33		18,789 0
Amount due on 1st assessment No. 34		1,565 11
Balance due by agents		9,776 23
Bills receivable		1 019 45
Office furniture		1,186 01
City of St. Thomas debentures, par value, $22,600; market value, 10 per cent.	$24,860 00	
Town of Tilsonburg debentnres, par value, $6,500; market value.	7,150 00	
Ontario Loan & Debenture Co. debentures, par value, $13,260; market value	13,260 00	
Huron & Erie Loan & Savings Co.. debentures, par value, $13,260; market value	13,260 00	
		$ 58,530 00
Accrued interest on debentures		493 35
Office building and real estate		14,110 81
Due from other insurance companies		400 00
Cash in treasurer's hands		701 25
		$361,903 41

Liabilities.

Losses adjusted in 1894, but not due until 1895	$ 3,801 15
Bills payable	18,000 00
Due Molsons Bank	2,582 95
	$ 24,384 10
Balance	361,903 41
	24,384 10
	$337,519 31

President Robson moved the adoption of the reports They would observe that the losses had been very heavy, and it was very important that agents should thoroughly inspect fire risks. During the past year inspectors of agencies had been sent out, and a number of dangerous risks had been cut off. About 2,000 policies had been returned to agents for more complete information regarding risks. And in this way it was expected that policy holders would be benefited. Business had never been so large as during the year just closed.

Mr. C. C. Hodgins seconded the adoption of the reports, which were received and adopted.

The business of filling the place of the two retiring directors and that left vacant by the decease of Mr. Daniel Black was taken up.

Mr. John Morgan moved that Messrs Joseph Marshall, M.P., Angus Campbell and J. W. Cameron be the directors.

The motion was carried unanimously.

RICHELIEU AND ONTARIO NAVIGATION COMPANY.

The annual statement of the Richelieu Company, whose boats ply Lake Ontario and the St. Lawrence from Hamilton to the Saguenay, is now in the hands of the directors. It shows the net earnings during the past year to have been $164,000, or about 11.64 per cent. on the capital. After the dividend of 6 per cent has been paid, and interest and fixed charges allowed for, the amount carried to profit and loss is $43,000. In 1893 the total traffic receipts were $610,971.65, the expenses $583,702.99, leaving a balance of $27,286 66. The amount carried forward to profit and loss was $60,286-24.

The insurance companies interested have paid over the amount claimed by the Richelieu company, $40,000, on account of the burning of the steamer "Corinthian," and also paid all costs.

The bonds of the company have all been sold. Word has been received that Messrs. Coates & Co., London, have purchased the whole amount. The issue was $600,000 twenty-year bonds at 5 per cent. The price realized was 95.

—The annual meeting of the Keystone Fire Insurance Company was held in St. John, N.B., on the 4th inst. According to the report for 1894 the gross premiums received were $63,556.44, from which deduct re-insurance, $5,660.30; cancellation, $8,609.38; leaving balance of net premiums, $49,280.76. The losses paid were $21,426.76, of which $3,286.06 was for losses occurring in 1893, leaving the net losses of 1894, including $1,149 unadjusted, $19,290, a low ratio. The total expenses, including commissions, were $15,773.44, or a shade less than 32 per cent. of the total. The balance to the credit of profit and loss was $17,610.60 on 31st December. The assets have increased $13,000 during the year, and now amount to $70,760.25. No dividend was declared, the prudent object of the directors being to accumulate a reserve. Some who were disappointed with the passing of dividends suggested the winding up of the company, but no motion to that effect was made, so the election of directors proceeded, with the following result: Howard D. Troop, Charles W. Weldon, Thomas A. Temple, Hon. A. F. Randolph, Jas. C. Robertson, John Berryman, M.D., Major Markham, Alexander Macaulay, Edward L. Temple.