PRESIDENT'S ADDRESS.

In moving the adoption of the report, the president said: In presenting our seventeenth annual report for your adoption, the directors have to congratulate you on another year's business characterized by progress and prosperity. The report and subjoined financial statements so fully and clearly set forth the position of the company, that any lengthened remarks from me are unnecessary.

At our last annual meeting I took occasion to refer to the disappointing result of the harvest in Ontario and Manitoba, combined with lower prices for most of our cereals. As the condition of the farmer has an important bearing on the success of our business, it is a subject of regret to know that the last harvest has not been an improvement on its predecessor, but that the depression has been reproduced in an intensified degree. From the well off farmer we do not look for much patronage; he is able to outlive unsuccessful seasons with only a little grumbling. To those with limited resources, however, and they are the majority, the past year has been a trying one, the prices for grain having never been lower.

Notwithstanding this depression, I am pleased to inform you that from our borrowers in Ontario we have been well contented with the payment of their indebtedness. From those in Manitoba, whose main reliance has been on the prices obtained for their wheat crop, the returns have not been so satisfactory; forty cents per bushel, and an average yield of sixteen bushels per acre, you will readily understand, have materially affected their ability to support their families and meet their engagements. Our operations [in] that Province having been limited, and the margin of security being larger there than we exact in Ontario, we can afford to extend a measure of consideration to the few deserving borrowers who are in arrears, whe e we can do so without impairing the value of our security. Forbearance is the more reasonable in view of the fact that to offset any arrears of interest, these borrowers have by the erection of additional buildings, the acquisition of more stock and implements, and the cultivation of a larger area of land, enhanced the value of their farms beyond that on which our loans were made.

While the knowledge of these unfavorable results has the tendency to produce in our minds a pessimistic impression regarding this the most important source of our country's wealth, it is gratifying to recognize that the improvement which has been made in many of its branches has compensated the husbandman for failure in others. Great progress has taken place in recent years towards making the business of farming more profitable, the cultivation of grain only having become subordinated to mixed farming, which, while it requires the exercise of greater intelligence and better business methods, has secured a larger variety of products, embracing those arising from stock-raising, dairying, fruit and vegetable culture, the demand for which is unlimited, the prices more remunerative, while the manure, which is returned to the soil, increases its productiveness. This improvement has just had a practical illustration in the honorable and distinguished position which the Canadian agricultural contributions occupied at the World's Fair in Chicago. Our horses, herds of horned cattle, sheep, swine and cheese were the banner exhibitions there, and gained the blue ribbon from all competitors. Visitors from other countries were favorably impressed with the richness of our heritage, and with Canada as an attractive field for emigrants, whose soil and climate furnish inducements and advantages which no other country in the world possesses in a larger measure.

The report makes mention of the subject of our borrowed money, and of the policy pursued by the board of procuring it by the sale of our debentures in preference to that class of savings' bank deposits which lack the element of permanence. You will observe that the reduction in amount of our savings' bank deposits, compared with a year ago, has been $178,870, and that currency debentures have since the same period increased $168,761, showing that we have gained in the more durable money nearly as much as has been withdrawn of the less permanent. You will readily perceive the wisdom of the policy we have pursued in this direction, as it can hardly be expected that it would be prudent to lend money fully which has been deposited with us for an uncertain period, on mortgages extending over a period of years. I can with confidence commend the company's debentures to our shareholders and their friends who have their own or trust funds to invest; the security to debenture holders and depositors is of undoubted reliability, consisting of our capital of $700,000, our rest of $145,000, and our mortgages, with sufficient margin, in which their money has been loaned. I may say to you in evidence of this, that our debentures, which are recognized by law as a security in which trustees and executors are authorized to invest trust moneys, have been availed of to a considerable extent for this purpose by individual trustees, executors and trust companies, who have estates under their control.

The year 1893 will long be remembered as one of world-wide financial disturbance, depression, and disaster. It is a matter for congratulation that Canada has been affected only by the ripple of its wave, and that our monetary institutions have successfully withstood the strain.

I am glad to inform you that, notwithstanding the prevalence of distrust and depression, we have done a fairly prosperous business. The report shows that after having deducted the interest on borrowed money, the charges of management, and all ascertained losses, our net earnings have been $57,104, equal to 8.41 per cent. on our paid-up capital, which, with amount brought from last year, we have disposed of by paying the customary dividend of 6 per cent., amounting with income tax to $41,056.97; we have increased the Rest account by $10,000, which has now reached the sum of $145,000, or 21.36 per cent. of our paid up capital; we have transferred to contingent account $8,000, and carried forward to next year a credit of $979.40: all of which we trust will meet with your approval.

I may add that, as in former years, the vice-president and myself have made a careful investigation into the condition of all our securities; and in view of the decline which has continued to take place in the selling price of farm property, caused by the prolonged prevalence of low prices for grain, we have made a liberal appropriation to meet any possible loss that may be sustained in the disposal of the few properties remaining on our hands; and we can confidently assure you that the value of our assets as presented in the balance sheet is correct and reliable.

I have now the pleasure to move the adoption of the report, which will be seconded by the vice-president, after which should any shareholder desire further information, I shall be pleased to supply it.

On motion the following were re-elected directors for the ensuing year: Samuel Barker, Thomas Bain, M.P., R. E. Kennedy, M. Leggat, Henry McLaren, J. J. Mason, and John Waldie.

Auditors—W. F. Findlay, F.C.A., and Wm. Marshall were re-appointed auditors for the ensuing year.

The usual vote of thanks to the auditors, directors, treasurer and staff having been passed, the meeting adjourned.

At a subsequent meeting of the directors Matthew Leggat was re-elected president and John Waldie vice-president.

HAND-IN-HAND INSURANCE COMPANY.

MUTUAL AND STOCK.

The twenty-first general ordinary meeting of the members and shareholders was held at the offices of the company, Queen City Chambers, Church street, Toronto, on Thursday, 22nd day of February, 1894, the vice-president, James Austin, in the chair, and the manager, Hugh Scott, acting secretary, when the following report was submitted.

REPORT.

The directors beg to submit to the members and shareholders the revenue accounts for the past year, and the balance sheet showing liabilities and assets on 31st December, 1893.

The number of policies in force at the close of the year was 1,063, covering at risk, after deducting the re-insurance, the sum of $1,770,094.

The total revenue from the fire branch was $48,572.24, and after deducting all expenses and claims for fire losses, the balance to carry forward was $9,961.69.

The balance now standing at the credit of the revenue account of the plate glass branch is $10,789.96.

In view of the foregoing results the usual two per cent. dividend on the capital of the company, being equal to ten per cent. on the paid up portion thereof, was declared.

The retiring directors this year are: Dr. L. W. Smith and Thos. Flynn.

All of which is respectfully submitted.

HUGH SCOTT, Managing Director. JAMES AUSTIN, Vice-President.

REVENUE ACCOUNT, FIRE BRANCH, FOR YEAR ENDING DECEMBER 31ST, 1893.

Dr.		
To premium income, 1893		$46,591 67
Interest " "		1,980 57
		$48,572 24
Cr.		
By cancelled policies and rebate	$ 1,700 49	
Re-insurance	13,233 67	
		$14,934 16
Salaries, directors' fees, commissions, advertising, rent, plant, postage, etc.		7,369 78
Claims—fire losses	$14,086 55	
Claims appropriation—losses under adjustment	2,220 06	
		16,306 61
Balance to balance sheet		9,961 69
		$48,572 24

REVENUE ACCOUNT, PLATE GLASS BRANCH, FOR YEAR ENDING DECEMBER 31ST, 1893.

Dr.	
To balance carried forward from 1892	$10,077 10
Premium income and interest, 1893	3,708 49
	$13,785 59
Cr.	
By commission, charges, stationery, proportion of advertising, rent, directors' fees, etc.	$ 816 25
Claims paid	1,766 01
Cancelled policies	413 37
Balance to balance sheet	10,789 96
	$13,785,59

BALANCE SHEET, DEC. 31ST, 1893.

Liabilities.		
To capital stock ($20,000 paid up)		$100,000 00
Scrip issued prior to 1893	$15,798 00	
Revenue account (fire branch, 1893)	9,961 69	
		25,759 69
Contingent account		20,210 96
Claim appropriation—Losses under adjustment		2,220 06
Revenue account, plate glass, 1893		10,789 96
		$158,980 67
Assets.		
By capital liable to call	$80,000 00	
Undertakings in force Dec. 31st, 1893	10,144 93	
		$90,144 93
First mortgages on real estate (valued at $56,500)	$22,686 33	
Cash on deposit, Ontario Bank	6,901 09	
Bank Stock—39 shares Dominion Bank; 127 shares Imperial Bank; 20 shares Bank of Commerce	28,082 50	
Building & Loan Association stock, 20 shares	500 00	
Sundry debtors, including accrued interest	10,665 82	
		68,835 74
		$158,980 67

I hereby certify that I have audited the books and examined the vouchers and securities of the company for the year ending 31st December, 1893, and find the same correct, carefully kept, and properly set forth in the above statements.

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

Toronto, February, 1894.