

there can be no question as to shareholders and policyholders of the Company being entitled to the fullest possible information regarding its affairs. The directors not only supply such information as may answer the purpose, but also such reasonable details as will enable the actual position of affairs to be readily comprehended.

Comparing the results of the past year with those of the previous year, a marked improvement in practically all essential features will be noticed. The new business transacted during the year exceeded the new business of the previous year by 542 applications for £223,940. The cash premium and interest receipts also exceeded the like receipts of the previous year by £10,151.40; while the total outgo for management expenses exceeded the like outgo for the previous year by only £3,000.05. Deducting the total disbursements from the total receipts there remains a balance of £80,219.96, by which sum the net invested assets of the company were increased during the year.

As regards the character of the assets of the company, in no instance have investments been taken into account at more than their fair market value, and in some instances there is a considerable margin of excess of market value over the ledger values at which same have been taken into account. That investments are not being allowed to run into arrears is amply evidenced by the fact of the total interest due and accrued at end of year, amounting to but a trifle more than half the cash interest receipts of the year. As a fact only £3,448.95 interest was due and unpaid at the end of the year, and of this sum only £72.48 was overdue for more than a year, and all but £12.48 of this has since been paid. A small parcel of real estate came into the Company's possession during the year by reason of failure in business of the mortgagor. The rental therefrom more than meets the interest and taxes, and we expect to dispose of same without loss to the Company.

The liabilities of the Company have been provided for in the most ample manner. The reserve fund, required to be maintained at the credit of outstanding policies, has, on a large part of the Company's business, been set aside on a four per cent. interest basis, instead of on a four and one-half per cent. basis as required by law, and a further sum of £10,000 has been provided towards bringing the remainder of the Company's business up to the high standard referred to.

Notwithstanding the conservative basis upon which the company's assets have been taken into account, and the ample provision that has been made for every liability of the Company, the net divisible surplus shows a marked increase over the previous year and now stands at £20,170.60 over all liabilities and capital.

With these remarks I beg to move the adoption of the report.

The adoption of the report was recorded by Judge Bell, who said:

As a policyholders' director I am not only pleased with the results of the past year, but also entirely satisfied with the Company's financial

standing and the fairness with which policyholders are being treated. Contrasting the results of the past year with the results of the previous year, the new business of the past year not only exceeded the new business of the previous year by considerable, but the net gain in total insurance in force at the close of the year also shows a much larger proportionate increase than did the net gain of the previous year. The more favorable showing in this connection while, perhaps, partly attributable to improved times, is, I think, even more largely attributable to the increasing favor in which sound and legitimate life insurance is being held by the people. The fact is being more fully realized from year to year that in no other way can a man make so convenient and safe a provision for dependent ones, or for his own old age, as by a policy of life insurance in a reliable company such as the London Life and other like companies. I have much pleasure in seconding the adoption of the report.

The Company's Auditor, Mr. George F. Jewell, F.C.A., said that each year gave him increased confidence in the methods and substantial success of the Company, and that the special provisions towards a contemplated variation of the basis of the insurance reserve was a step made necessary by the gradual decrease of the earning power of money, which he was glad to see taken so promptly. He was confident that the same honorable, liberal and even generous policy of the Company which had obtained during his acquaintance with it would be continued, and that such a course would undoubtedly ensure continued success. Providence is not always with the largest battalions, as was once claimed, but is always with those who pursue an honest, faithful course, and by due diligence command success.

The adoption of the report was submitted to the meeting and carried unanimously and with hearty applause.

Mr. T. H. Smallman moved, seconded by Mr. W. F. Bullen, that the thanks of this meeting is hereby tendered to the agents and other employees of the Company for the very satisfactory manner in which they have discharged their several duties during the past year. The motion was unanimously adopted and suitably acknowledged by Messrs. George McBroome, A. Bretz, H. Tatham, J. Dickson, W. G. Brown, J. T. Niblock, W. C. Hoover, A. Perry, J. F. Holden, J. S. Bell, J. W. Humphrey, B. D. Sykes, W. R. Brock, J. A. Thomas, J. H. Fardington and J. F. Maize, on behalf of the agents.

The balloting for election of directors for the current year resulted in the unanimous reelection of Messrs. John McClary, Wm. Bowman, Geo. C. Gibbons, Wm. F. Bullen, Thos. H. Smallman, Judge A. Bell, A. S. Emery, G. M. Harrison and A. O. Jeffery.

At a subsequent meeting of the directors, Mr. John McClary was re-elected President and Mr. A. O. Jeffery vice president.

Alliance Assurance Company

REPORT, ACCOUNTS AND BALANCE SHEET,

Presented to the Members at the Annual General Court, held at the Head Office of the Company, in Bartholomew Lane, in the City of London on Wednesday, the 9th day of March, 1898, at 12 o'clock at noon

The Directors have the pleasure to submit to the Members the following Report, Accounts and Balance Sheet for the year 1897.

LIFE ACCOUNT.—The volume of New Life business transacted in the year exceeded that of any previous year in the history of the Company. The number of new policies issued was 1,571. The gross sum assured by such policies amounted to £1,216,568. The net sum assured (after deducting re-assurances), £1,002,068; the gross new premiums (including single premiums), £64,032; the net new premiums (after deducting premiums on re-assurances), £56,706.

The total life premium income amounted to..... £315,670 12 5
Consideration for annuities..... 51,056 15 9
Interest (less income tax) and registration fees..... 105,874 3 3

Total..... £472,601 11 5
Claims, surrender values, cash bonuses, annuities, etc..... £224,513 15 11
Expenses of management, including Commission (being 10 p.c. of the net life premiums)..... 31,567 1 3

Leaving a net surplus of..... £218,520 14 3

FIRE ACCOUNT AND PROFIT AND LOSS ACCOUNT.—The net Fire premium income for the year was £356,651 6s. 6d.; fire claims, including ample provision for all outstanding claims, amounted to £54 4s. 6d. per cent. of the premium income and the expenses of management (including commission) at the Head Office and all the branches and agencies of the Company to £34 5s. 10d. per cent. of the premium income.

The surplus on these accounts, including interest, less income tax amounted to £113,694 10s. 8d.

Such surplus has been applied as follows:—

£ 5,000 0 0 in writing down the cost of the Company's premises.
3,216 16 5 in payment of income tax on profit, etc.
100,000 0 0 to cover the dividend on share capital for 1898.
5,477 14 3 to increase the fire insurance fund.

£113,694 10 8

LEASEHOLD AND INVESTMENT POLICIES ACCOUNT.—The amount of the leasehold and investment policies fund has increased during the year from £50,188 2s. 5d. to £63,501 10s. 7d.

FUNDS OF THE COMPANY.—The total funds of the Company amount to £4,591,448 5s. 9d., viz.:—

Paid-up capital..... £ 550,000 0 0
Life assurance fund..... 2,946,582 16 4
Fire insurance fund..... 787,372 18 8
Leasehold and investment policies fund..... 63,501 10 7
Profit and Loss Account..... 100,000 0 0
Reserve for Outstanding claims, dividends, accrued commission and expenses..... 143,991 0 2

£4,591,448 5 9

DIVIDEND ON SHARE CAPITAL.—The directors have resolved on paying the same dividend as in the previous year, namely £100,000, being 8s. per share on the paid-up capital of £550,000, in equal half-yearly instalments, the first instalment to be payable on and after the 9th April next, and the second instalment to be payable on and after the 10th October next.

DIRECTORS AND AUDITORS.—The directors retiring by rotation are James Alexander, Esq., James Fletcher, Esq., Richard Hoare, Esq., Sir Charles Rivers Wilson, G.C.M.G., C.B., and Major-General Sir Arthur Ellis, K.C.V.O., all of whom offer themselves for re-election. The retiring auditor is John Cator, Esq.