With the close of 1883, occurred the crisis in our history, occasioned by the collapse of the Montreal Loan & Mortgage Co., in consequence of which we had to report in 1884 a capital reduced from \$21,625 to \$8,890. Even this amount was based on the par value of the Loan & Mortgage Company's stock, whereas its market value was only 80%, so that the actual cash value of the capital of the Widows' and Orphans' Branch at that date was only \$6,330.

Every year since then, however, has shown a work of upbuilding, notwithstanding the fact that in 1885 our annuity claims reached the large sum of \$1,180, and, if we take the market value of our securities to-day, our capital now (W. and O. B.) represents \$17,900.

With regard to our loss by the Loan & Mortgage Company, I desire to bespeak your careful attention to the following memorandum:

In 1883 the Widows' and Orphans' Branch held, partly paid up, 540 shares of the stock at \$50 per share, representing	\$27,000
In 1884, by Act of Parliament the value was reduced to \$25 per share	13,500
Showing an apparent loss to us of	13,500

Now in December, 1860, our Society subscribed for 20 shares, and continued subscribing and paying up for over twenty years. During that period we received dividends varying from seven to ten per cent. per annum, besides in one year a large bonus. Had our money been invested in what are called undoubted securities, such as government or municipal bonds, the rate of interest received would not have been more than five per cent. I have made a careful calculation of the dividends and bonus received, over and above five per cent., from the Loan & Mortgage Company, to which I have added the interest earned by the overplus, and I find the total to amount to \$7,500. Besides this, a considerable sum in interest was earned by paying up stock in small amounts of one or two hundred dollars, whereas, had we purchased bonds, we should have had to let our money accumulate in the Savings' Bank at three per cent. interest until it reached a round sum of one or two thousand dollars. The saving effected in this way I place at \$500 more, which, added to the overplus as stated above, makes a total of \$8,000.

If our investments had not been placed in the M. L. & M. Co., the capital would not have shown as much as it did by about \$8,000; therefore, it would be fair to deduct that amount from the apparent loss of \$13,500, which would give us a net loss of \$5,500.

The financial position of the Loan & Mortgage Co. at the date of last report, viz., Dec. 31st, 1890, was as follows:

Capital—reduced—paid up			\$500,000
Reserves,	Rest	\$250,000	
	Contingent acc't	20,944	
			\$270,944