

Fire Ins. unexpired.....	550
Coal.....	35
Balances being adjusted	225
	<u>\$213,911</u>
Balance, at debit of profit and loss...	7,742
	<u>\$221,653</u>

Liabilities.

To the Public :—

Bills Payable—Bal. of settlement on goods bought 1881-82.....	\$78,339
On acct. of purchases made since.....	5,568
	<u>\$83,907</u>
For advances (secured).....	37,065
Open accounts.....	11,158.
Rent due to 31st March.....	500
Deposits and credit notes.....	1,205
	<u>\$133,836</u>

To the Shareholders :—

Capital accounts :—

Old stock subscribed.....	\$54,550
Paid.....	\$51,844
Prof. stock subscribed, 47,510	
Paid.....	35,973
	<u>\$87,817</u>
	<u>\$221,653</u>

By the company's own showing, and taking furniture and preliminary expenses as assets, they still seem to be some \$7,000 behind, and this without allowing any interest on either the original or preference stock. After the reading of the report, Mr. Kinloch, of the firm of Kinloch, Lindsay & Co., made some comments on the statement, animadverting on the company's raising money to the extent of \$37,000 on the security or bonding of the company's goods. He also took exception to the placing as assets so large an amount made up of preliminary expenses, &c.

Mr. Nott, in reply, said that the balance of \$7,742 entered to the credit of profit and loss could not be entered in any other way. The preliminary expenses represented the good-will of the concern, and was being reduced 20 per cent annually.

A shareholder asked if any action was being taken by the board to enforce payment of subscribed stock yet unpaid.

The president, Mr. F. B. Mathews, stated that several persons had not paid; he also intimated that it was their intention to proceed against one who had subscribed for \$1,500 of the preference and \$500 original stock.

Mr. John Ogilvy called attention to the fact that while it was stated that the report was certified by the auditors, no auditor's name was appended to it. He also remarked that at the last annual meeting the then vice-president and chairman, Mr. J. S. Hunter, stated \$50,000 had been subscribed and more was rapidly coming in; now only \$36,000 seems to have been so far paid, how was this? He also asked how it came that "as you say \$284,000 worth of goods were bought last year, of which amount \$270,000 was purchased for cash, \$11,000 on credit—leaving only \$3,000 unaccounted for; what then has been done with the \$37,000 borrowed? Am I right in supposing you have used this and the \$36,000 of preference stock in reduction of your old liability?" Mr. Ogilvy's motion to adjourn the meeting for a fortnight, in order to verify the valuation of the assets, was not carried.

Mr. B. J. Coghlin spoke in glowing terms of the position of the company and of his satisfaction in his dealings with them, but considered the expenses of the concern might be considerably reduced.

The President, while regretting that some firms had declined dealing with the Co., considered the institution in a flourishing state.

The gross profits of the Association appear to be about 17½ per cent, the expenses about 14 per cent, leaving 3½ per cent net profit, irrespective of interest on preference or original stock, of the concern. It was stated last year that the expenses were about \$1,400 a day; this may have been reduced, but there appears to be little or no reduction in the liabilities or the stock of merchandise, both of which appear to maintain the high figure of last year. The method of stock-taking by departmental clerks would scarcely pass muster everywhere. A valuation by disinterested outsiders would tend to increase confidence.

Mr. John F. Nott, the general manager, and the directors who have given so much of their attention to the business, are deserving of no little praise for the persistence with which they have endeavored to extricate the concern from the condition in which they found it on taking office a year ago. The confidence reposed in them by the shareholders was testified by the re-election of the old Board.

THE LIFE ASSOCIATION OF CANADA.

The annual meeting of the Life Association of Canada was held at the offices of the Association in Hamilton, April 17th. 1883.

Among those present were the following stockholders and policy holders: Messrs. Jas. Turner, Edward Martin, Q.C., Alex. McInnes, Alex. Harvey, J. M. Gibson, M.P.P., W. E. Sanford, Alex. Turner, W. R. McDonald, W. Carey, H. D. Cameron, John L. Stoney, E. E. Kittington, H. B. Johnson, L. T. Newburn.

The president occupied the chair, the manager acting as secretary.

The statutory notices calling the meeting, and also the minutes of the last annual meeting, having been read by the secretary, the directors' report and financial statement, which had been previously distributed among those present, was accepted as read.

DIRECTORS' REPORT.

The directors beg to submit herewith their annual statement of the business of the Association.

Appended hereto will be found the Revenue and disbursement accounts, and also the balance sheet.

The new policies issued during 1883 numbered 384, covering \$604,912 48 of insurance.

The increase in new business and amount at risk during the past four years are shown in the following table:

	New Business.	Amount at Risk.
1879	\$294,000 00	\$1,266,000 00
1880.....	468,000 00	1,364,000 00
1881.....	546,000 00	1,571,000 00
1882.....	694,000 00	1,834,000 00

The increase in Revenue and Government deposit for the past four years may also be noted:

	Revenue.	Government Deposit.
1879.....	\$43,027 26	1879.....\$ 7,000 00
1880.....	45,859 02	1880..... 90,788 33
1881.....	50,777 20	1881..... 101,000 00
1882.....	54,168 88	1882..... 106,000 00

It will be seen from the financial statement that, during the year, \$7,750.00 was paid for matured endowments, and \$10,454.80 for claims by death, showing that already in the history of the Association important benefits have been directly realized by policy-holders and their families.

The guarantee stock for \$200,000 00 authorized by charter was subscribed, and \$50,066 66 has already been paid up in cash.

Since the organization of the association, the large sum of \$112,000.00 has been paid for death claims, endowments matured, and committed policies.

In accordance with the provisions of the Act of Incorporation, the following directors—James Turner, J. M. Williams, Dr. Ridley, W. E. Sanford, Hon. Donald McInnes, W. B. McMurich, Rev. Henry Holland and Duncan McArthur retire from the Board, but are eligible for re-election.

JAMES TURNER, *President.*

FINANCIAL STATEMENT.

REVENUE ACCOUNT.

Dr.

To Balance from last account.....	\$187,635 17
“ Premiums.....	46,538 29
“ Interest.....	7,580 59
	<u>\$241,804 05</u>

Cr.

By death claims adjusted and paid.....	\$10,454 80
“ Matured endowment policies paid.....	7,750 00
“ Values on surrendered policies paid.....	1,545 45
(Total paid policyholders, \$19,750.25).	
“ Salaries of officers and clerks, interest, rent, printing, advertising, postage, taxes, &c.....	9,767 67
“ Interest on guarantee stock.....	1,429 41
“ Medical examiners' fees.....	1,371 75
“ Directors' fees.....	341 00
“ Commissions to agents, salaries and travelling expenses, general and special agents.....	11,706 99
“ Re-assurance premiums.....	424 64
“ Balance.....	197,012 34
	<u>\$241,804 05</u>

BALANCE SHEET.

Cr.

By stock subject to call.....	\$140,933 34
“ Municipal debentures.....	117,653 35
“ Cash deposited in bank at interest.....	15,000 00
“ Cash in Canadian Bank of Commerce on call.....	8,369 69
“ Cash in head and branch offices.....	6,107 99
“ Interest accrued on investments and securities.....	1,605 91
“ Loans and liens on policies in force.....	6,417 84

NOTE—(The reserves held by the association on these policies amount to \$15,970.00).

Bills receivable.....	5,150 00
By first mortgage on real estate.....	2,500 00
“ Furniture in offices.....	1,514 12
“ Agents' ledger balances.....	2,377 15
“ Premiums due and in course of collection.....	16,301 69
(Liability on above included in reserve fund).	
Premiums deferred.....	12,003 65
(Liability on above included in reserve fund.)	
Contingent account.....	2,011 95
	<u>\$346,945 68</u>

Dr.

To death claims in course of payment.....	\$ 1,145 60
“ Guarantee stock paid up.....	50,033 66
“ Reserve on policies in force.....	157,795 00
“ Surplus resources for protection of policy-holders, exclusive of above.....	137,938 42
	<u>\$346,945 68</u>

Examined and found correct,

H. STEPHENS, *Auditor.*

JAMES TURNER, *President.*

DAVID BURKE, *Manager.*