

Premiums .....	\$45,500 91
Less paid for re-insurance .....	1,032 98
	44,467 93
Interest, rent, etc. ....	3,925 44
Bank deposits withdrawn for investment .....	44,784 78
	\$110,436 60
<i>Disbursements.</i>	
Salaries and commissions .....	\$ 19,622 90
General expenses .....	6,964 42
Dividends on Renewable Term policies .....	4,837 88
Claims paid less re-insurance and liens .....	18,590 68
Purchased policies less loans .....	1,318 24
Loans on policies .....	827 47
Agents' commuted commissions ..	1,152 56
Small accounts .....	189 12
Investments .....	31,091 45
Bank deposits, special and other ..	25,443 64
Cash at head office .....	398 24
	\$110,436 60
<i>Assets.</i>	
Debentures & bonds, market value ....	\$ 50,828 89
Special deposits .....	13,303 00
Cash in bank .....	\$ 13,173 41
Cash in office .....	398 24
	13,571 65
Loans on policies ..	2,511 75
Accrued interest .....	735 31
Bills receivable (short date notes on policies .....	2,362 88
Deferred premiums ..	7,292 23
Premiums in course of collection .....	3,429 52
	10,721 78
Less 10 per cent. for collection .....	1,072 17
	9,649 61
Agents' balances ....	224 00
Preliminary expenses, balance .....	1,552 35
Office furniture ....	883 35
Commuted commissions .....	2,962 53
Total .....	\$ 98,585 27
<i>Liabilities.</i>	
Small accounts ....	216 35
Balance .....	\$ 98,368 92
Balance of asset as per above statement .....	\$ 98,368 92
Capital subject to call .....	620,792 00
Total resources for security of policy holders .....	\$719,160 92
Total liability to policy holders (reserve liability on policies in force ..	\$ 48,518 93
Less reserve liability on re-insured policies .....	388 48
	48,130 45
Surplus of assets and guarantee capital for security of policy holders .....	\$671,030 47

DAVID DEXTER,  
Managing Director.

The President and Directors of the Federal Life Assurance Company:

GENTLEMEN,—We have completed the audit of the affairs of your company for the year ending 31st December, 1885. The securities and other assets as shown have been carefully examined and found correct. The receipts and disbursements were properly recorded and duly vouched.

Respectfully submitted.

H. STEPHENS,  
SHERMAN E. TOWNSEND, } Auditors.

Hamilton, 1st March, 1886.

The president, Mr. Jas. H. Beatty, in moving the adoption of the report, said he had much pleasure in referring to the very marked difference in the amount of business done by

the company last year as compared with the previous years, and to the growing confidence in the company and its plans of business shown by people who desire insurance.

The remarkable increase in the company's business was no doubt due to the adoption of the Homans plan of renewable term insurance, a system which in every way merits the approval it is receiving, and which will, without doubt, continue to grow in popularity even more rapidly in the future than since its introduction in Canada by the Federal Life, with people who give it their careful consideration. He referred at some length to the features of the plan which constitute its advantages over other plans, and which, in his opinion, will secure its permanence as the leading plan of pure life insurance.

Mr. Wm. Kerns, M.P.P., vice-president, in seconding the adoption of the report, said that the president in his remarks had gone pretty fully into the reasons for the company's rapid advance to the front rank of Canadian companies in the amount of new business written during the past year, but had not said anything which was not borne out by the facts.

The large increase in business had realized and surpassed the anticipations of the directors when the Homans plan was adopted, about a year since, upon which plan a considerable portion of the new business has been written. He also spoke of the careful scrutiny of risks offered the company, and the desire of the executive committee rather to err on the safe side than to accept a risk concerning which the least degree of doubt existed.

Dr. Burns also bore testimony to the great care with which the executive had dealt with applications for insurance, and remarked that the medical director had required the most positive and complete information in every case before acceptance. He also spoke in eulogistic terms of the intelligence, efficiency and zeal of the company's agents.

After the adoption of the report the following directors were elected for the ensuing year, Messrs. D. G. Sutherland and W. A. Edwards acting as scrutineers of the ballot:

Messrs. James H. Beatty, William Kerns, M.P.P., A. Burns, L.L.D., M. H. Aikins, M. D., E. Chown, James Hough, Hon. G. E. Foster, W. F. Hall, Thomas Holtby, Wm. McCraney, M.P., Thomas Blanshard, I. R. Howell, Josiah Wood, M.P., W. B. Chisholm, E. S. Whipple, Hon. E. McLeod, J. G. Scott, Jas. Gray, Wm. Williams, John Potts, D.D., T. H. Wilson, M.D., D. G. Sutherland, M.A., Jas. A. Van Wart, George Scott and David Dexter.

At a subsequent meeting of the directors the officers of the previous year were re-elected, viz.: Messrs. Jas. H. Beatty, president; Wm. Kerns, M.P.P., and A. Burns, L.L.D., vice-presidents; David Dexter, managing director; and T. H. Wilson, M.D., medical director.

#### NATIONAL BANK OF SCOTLAND, LIMITED.

The annual general meeting of proprietors in this bank was held within the bank's head office in Edinburgh, on Monday, the 21st December, 1885, at two o'clock afternoon, when the following report was submitted.

#### REPORT.

The directors beg to submit to their co-proprietors the balance sheet of the bank as at 31st October last, certified by the auditors, together with the relative profit and loss account.

The continuation throughout the year of the general depression of trade, and the consequent difficulty in keeping the funds of the bank fully and profitably employed, have, to some extent, affected the results of the year's business.

After making ample provision for all bad and doubtful debts, the net profit for the year amounts to .....

The Balance brought forward from last year is .....

Together .....

Out of which the directors have decided to declare—

The ordinary dividend at the rate of 13 per cent. £130,000 0 0

An extra dividend or bonus of 2 per cent ..	20,000 0 0
And to carry forward to next year ..	28,527 16 11
	£178,527 16 11

The dividend and bonus will be paid to the proprietors in equal parts in January and July next, free of income tax.

The reserve fund amounts to £660,000, exclusive of the full year's dividend now declared and the unappropriated balance carried forward.

Two vacancies in the board of directors of the bank,—the one caused by the death, in June last, of Mr. Andrew Blackburn, and the other by the retirement now, in the usual rotation, of Mr. Patrick Blair, W.S., the present chairman of the board,—have to be filled up, and the directors have nominated, and now recommend for election, Mr. James Hunter of Glenapp, and Mr. Alex. James Russell, C.S.

In order to fill up vacancies which have occurred among the extraordinary directors of the bank, the board have much pleasure in nominating and recommending the proprietors to elect the following gentlemen, viz:—

Sir John Don Wauchope, of Edmonstone, Bart; the Hon. Lord Trayner, one of the Senators of the College of Justice; Wm. Elphinstone Malcolm, Esq. of Burnfoot; William Mackintosh, Esq., of Kyllachy, Sheriff of Ross, Cromarty, and Sutherland; and Patrick Blair, Esq., W.S., Ainslie Place.

The directors also recommend the re-election, as auditors for the current year, of Messrs. James A. Molleson, C.A., Edinburgh, and William Mackinnon, C.A., Glasgow.

PATRICK BLAIR,  
Chairman of the Board.

THE NATIONAL BANK OF SCOTLAND LIMITED,  
EDINBURGH, 15th December, 1885.

BALANCE-SHEET OF THE NATIONAL BANK OF SCOTLAND LIMITED, AT 31ST OCTOBER, 1885.

#### Liabilities.

Capital stock of the Bank ..	£ 1,000,000 0 0
Reserve Fund .....	660,000 0 0
Dividend of 13 per cent ....	£130,000 0 0
Extra dividend or bonus of 2 per ct..	20,000 0 0
	150,000 0 0

Note Circulation .....	644,229 17 0
Deposit Receipts and Current Account Balances ..	12,611,162 18 2
Drafts outstanding .....	140,684 19 8

#### Acceptances by the Bank—

On account of Banking Correspondents ..	£741,813 1 7
On account of other Customers .....	173,296 18 10
	915,110 0 5

Balance of Profits carried forward .....	28,527 16 11
	£16,149,715 12 2

#### Assets.

Gold and Silver Coin; Notes of other Banks; and Cash with the Bank of England and other London Bankers .....	£ 1,284,355 13 7
British Government Securities (£1,013,399); and Loans at Call and Short Notice in London .....	3,944,363 0 0
Bank of England, Metropolitan Board of Works, the Bank's (£5,101 16s. 8d. at par), and other Stocks and Investments ..	1,436,542 2 4
Bills discounted .....	3,252,457 16 8
Loans on Railway Stocks and other Securities for short periods .....	1,113,404 4 0
Advances on Cash Credit and Current Account ..	3,964,782 15 2
Acceptances, per contra .....	915,110 0 5