

## AUDITORS' REPORT.

The undersigned, appointed by the directors of the Provincial Mutual and General Insurance Company to audit the accounts, beg to present their report.

The auditors have been enabled to complete their investigation in time for the annual meeting, but they would respectfully urge upon the board that a frequent audit is rendered quite necessary by the amount of business now done with the company, and that this would prove more satisfactory to the directors and convenient to the auditors, if made quarterly. The first step taken was to compare the proposals and examine the premium notes appertaining to the mutual branch, checking with the cash entries, and then tracing each particular entry through the journal to its final disposition in the ledger. The same prudence was observed in the examination of the proprietary branch. The balances in the ledger were then compared with those transferred to the abstract book, and finally the vouchers were looked into, all of which were found correct, and the payment duly authorized. In the course of their labours, the auditors had the opportunity of testing the value of the new method of journalising which has been adopted in the office, and they were struck with the efficacy of the plan and its tendency at once to save much labour in writing, and to check each week's transactions, thus preventing errors from running through the ledger until discovered by an examination of the books.

In conclusion, the auditors would desire to record their high sense of the very neat, correct, and efficient manner in which the books are kept, and of the attention to business observable in every department of the office.

All of which is respectfully submitted.

(Signed,)

ROBT. BEEKMAN, }  
J. W. BRENT, }

*Auditors.*

*Toronto, August 2nd, 1852.*

MUTUAL BRANCH.

*For the year ending June 30, 1852.*

GENERAL ABSTRACT.

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