

past regarding the alleged frauds in sugar, has forwarded a report to Washington, which, it is said, fully bears out the charges that have been made. The Chief of the Detective Service in the Treasury Department has notified Col. Chamberlain that he is coming to New York, and will probably arrive here to-day, to take such action as may be deemed necessary in the interest of the Government. The points of the report have not, of course, been made public, but it is said that high grade sugars on which a drawback was allowed for exports have been found to contain, in some instances, as high as sixty per cent. of glucose, and this will be proved by samples which were tested by the Government chemists. It is probable that suits will be brought against the parties implicated to recover the losses to the revenue, and it is also likely that heavy seizures will be made.

LONDON AND LANCASHIRE LIFE ASSURANCE COMPANY.

The annual general meeting of the shareholders of this company was held on Monday, the 13th May, at the offices, 158 Leadenhall Street, Colonel Kingscote, C.B., M.P., the chairman of the company, presiding.

The notice convening the meeting having been read by Mr. W. P. Clirehugh, the manager and actuary, the report and accounts (as follows,) were taken as read:—

Report of the directors presented to the shareholders at the fifteenth annual meeting on the 13th May, 1878:—

The directors in their report to the proprietors for 1877 have not only to submit the results of the business for the past year, but, likewise, the results of the actuarial valuation of the company's affairs required by the Deed of Settlement. As regards the business of 1877 the number of proposals received during the year was 1,566, for £554,735; and deducting declined or not completed 291, for £127,640, there were issued 1,275 policies for £427,095; yielding a new premium income of £12,130. 7s. 10d. The new assurances during the past five years have amounted to £1,590,599, producing a new premium income of £40,888. 5s. 5d., or an average of £318,120 in sums assured, and very nearly £10,000 in new premiums. The total premium income is now £60,914. 13s. 5d., and after deduction of re-assurance premiums the net amount is £55,846. 9s. 5d. The statistics show that the average age of the lives assured under the whole of the company's policies is only 38, and the average amount of each policy \$380. The following accounts are in accordance with the Insurance Companies Act. After payment of all outgoings and 6 per cent. for the proprietors on the original amount paid up, the funds now stand at £151,786. 6s. 5d.

THE VALUATION.—The calculations, as before, have been based on the Carlisle Table, and the low rate of interest of 3 per cent. only, assumed for the entire business, with the exception of the Canada portion, for which 4 per cent. has been taken, in terms of the arrangements under which the company's business is now conducted in that Dominion. The value of the whole of the loading, added to the pure or net premiums is £140,147. 6s., and which amount has been reserved for future profits and expenses. After this severe test, the result, as per the following statement, is a surplus of £6,575. 14s. 10d., which is smaller than anticipated, in consequence of the recent rather high mortality.

LIABILITIES.	£	s.	d.
Value of £1,977,216 assured by 5,244 policies.....	919,426	14	8
Surplus.....	6,575	14	10
	£926,002	9	6
ASSETS.	£	s.	d.
Value of £61,055. 12s. 9d. premiums.....	912,354	18	4
Less—			
Value of loading for future profits and expenses.....	140,147	6	0
	£772,207	12	4

Value of re-assurances.....	14,284	7	2
Assurance fund.....	139,510	10	0
	£926,002	9	6

By the provisions of the Deed of Settlement one-fifth of the surplus belongs to the Proprietors' Fund, which it is proposed to increase by placing the amount to credit of capital account, making £1. 7s. per share paid up. Upon this increased amount interest will be paid at the rate of £5. per cent. per annum from the 1st January last, equivalent to 6½ per cent. upon the original amount paid up. Out of the remainder it is proposed to pay a reversionary bonus at the rate of 1 per cent. per annum in respect of participating policies becoming claim before the next period of division. The directors who retire by rotation are Hon. Evelyn Ashley, M.P., and Abel Chapman, Esq.; and the auditors, A. H. Phillpotts, Esq., and J.C. Hopkinson, Esq., all of whom are eligible for re-election. The directors, in conclusion, have pleasure in expressing their appreciation of the great zeal and perseverance which the various representatives of the company have shown during the past year.

SECOND SCHEDULE.—Balance-Sheet on the 31st December, 1877.

LIABILITIES.	£	s.	d.
Shareholders' capital paid up.....	£10,000	0	0
Proprietors' share of profits.....	2,275	16	5
	12,275	16	5
Assurance fund.....	139,510	10	0
Annuity fund.....	Nil.		
Total funds, as per First Schedule.....	151,786	6	5
Claims admitted, but not paid.....	5,895	0	0
Other sums owing by the company—Interest to shareholders.....	£301	8	9
Sundry accounts.....	53	17	7
	355	6	4
	£158,036	12	9
ASSETS.	£	s.	d.
Mortgages on property within the United Kingdom.....	£5,190	3	4
Mortgages on property in Canada.....	8,630	2	10
	13,820	6	2
Loans on the company's policies within the extent of their value.....	7,127	11	4
Investments—Colonial Government securities.....	£41,457	19	0
Railway and other debentures and stocks.....	10,106	0	0
Indian railway stocks.....	15,633	1	0
Railway shares (preference and ordinary).....	15,090	0	8
House property.....	261	11	0
Reversions.....	2,369	19	9
	84,918	11	5
Loans upon personal security in connection with life policies... Branch offices and agents' balances.....	7,204	15	9
December premiums on which the days of grace are current.....	£1,630	2	9
	13,949	16	5
Outstanding half-yearly and quarterly premiums.....	11,065	0	9
Outstanding interest.....	1,446	4	2
Cash—			

In hand, and on current account.....	£5,414	2	1
On deposit—London, Melbourne, and Calcutta.....	11,550	0	0
Bills receivable.....	315	15	4
	17,279	17	
Other assets—Furniture and fittings at head office and branches.....	£1,185	11	2
Less 10 per cent. for depreciation.....	118	11	2
	1,067	0	0
Sundry amounts due at date of balance.....	129	19	10
Policy stamps in hand.....	27	9	6
	1,224	9	4
	£158,036	12	9

* These have, with few exceptions, been since paid.

NIGEL KINGSFOTE, Chairman.
THOMAS DAKIN,
SAM'L G. SHEPPARD, } Directors.
W. P. CLIREHUGH, Manager.

Examined with the books and securities of the company, and found correct.

A. H. PHILLPOTTS,
J. CLIFFORD HOPKINSON, } Auditors.
29th March, 1878.

The Chairman, on rising to move the adoption of the report, said—It is my duty, gentlemen, on this occasion, as your chairman, to submit for your consideration a few remarks upon the business of the past year, and likewise to refer to the valuation which has been made as required by the deed of settlement, and the results which arise from that valuation. But, first, as regards the business of the year 1877, notwithstanding, I may almost say, the stagnation of the trade of the country, the new business again shows a large increase—over half a million in sums assured having been proposed during the year, and policies issued for £127,000 for 1,275 lives, giving a new premium income of over £13,000. To secure an amount of new business like this, there must necessarily have been a great amount of zeal and push amongst the representatives of the company. As regards the home business, it has increased in most of the districts, and in the colonies as well, whilst the Canada portion of our business, with the new arrangements made there, continue to work very satisfactorily. I have to report two deaths of members of the Montreal Board, which rendered it necessary to form a new directorate, and I am happy to say that four most influential gentlemen have been secured to represent the company in that country. The total premium income of the company has now attained such increasing dimensions as must speedily warrant a diminution in the rates of expenditure without interfering with the successful progress of the company, and I assure the shareholders that this is a subject constantly engaging the attention of the directorate and the manager. As regards the claims, although less than in the previous year, I regret again to tell you that they have been heavy, exceeding our expectation. While the actual number of deaths has been less, the company has been hit under the larger policies. Of course, in the long run, this experience must correct itself; but the heavy claims of 1876 and 1877 have been sufficient to make the experience of the quinquennium exceed the expectancy. This has affected the result of the valuation, which is the next point I have to bring to your notice. The principle adopted to ascertain our position is explained in the report, but I may be allowed to enlarge a little upon it. The Carlisle Table has again been adopted, the tables of the company having been constructed upon that table, although, doubtless, the new tables of mortality known as the Institute of Actuaries Life Tables will in future be used not only by this but by