

"In preparing the present state of Liabilities and Assets, especial care has been taken to write off all accounts that were considered worthless, and all assets are now set down at their actual value only, and as they appear in the Ledger, whilst those of a doubtful nature, but from which it is considered some benefit may eventually be derived, have been retained at their full amount in a distinct account,—“Doubtful Debts,” which of course carries its own commentary. The unpaid calls have been debited at their full amount to stock, as a liability, and credited at their full amount on the other side as an asset, so that capital will eventually become debtor only for so much as is paid. The result exhibits a balance to the credit of the Company, less Stock, of \$114,217.78.

In compliance with the resolution of the Shareholders at their last Annual Meeting, your Directors have established many additional agencies in various parts of the Provinces. On the number and efficiency of its agents, the business of an Insurance Company mainly depends. Your Directors, therefore, earnestly solicit the numerous Shareholders of the Company, whose local knowledge would so materially aid them, to select and recommend active and responsible persons as agents in such places as have none at present. After mature consideration, your Directors have lately decided on re-opening their Marine Agency at Halifax under the management of Mr. Geo. C. Whidden, in whom your Directors have the fullest confidence, and who for many years has transacted your affairs there with ability and success.

“Your Directors cannot but express a regret that the appeal made by the President to the Shareholders, in his letter of September last, urging them to protect their own interests by combined and strenuous exertions to extend the business of the Company, has not been more generally responded to.

“It is apparent from what has been done under existing circumstances that had the efforts of the Directors been warmly seconded by so large a Proprietary as pertains to this Company, more favourable results might readily have been attained. Your Directors, therefore, again urge upon the Shareholders, actively to exert themselves in obtaining