

The results of the operations of the Society for 1886 are in nearly all respects the same as those of the previous year.

This similarity may be regarded as consistent with experience in similar cases rather than as an accidental circumstance.

The great extent of territory operated by the Society and the large membership distributed therein admit of an averaging of the risks which is the true basis of successful insurance; so that the conditions given being the same, the results of one year will generally be found to correspond closely with those of another.

At the end of 1885 there were 10,262 policies in existence; in 1886 there were 1955 policies issued and 1998 cancelled, making a total of 10,041 to which there has to be added 178 members who have left the service but continue subscribers to the Insurance fund, leaving 10,219 members on the books of the Society on the 31st December 1886, distributed as follows:—

	A	B	C	D	E	F	N <sub>1</sub>	Total.
Members 1st January 1886....	529	114	768	1261	2135	5401	54	10262
Policies issued in 1886.....	93	36	248	79	229	1270	00	1955
	622	150	1016	1340	2364	6671	54	12217
Policies cancelled.....	65	8	60	198	339	1315	13	1998
Remaining { In employment..	536	139	946	1083	1975	5321	41	10041
at { Retired on Insu-								
31st Dec. { rance scheme								
only .....	21	3	10	59	50	35	00	178
Total Membership on January								
1st, 1887.....	557	142	956	1142	2025	5356	41	10219

Reference to the first annual report of the Society shows that the receipts for that year had fallen short of the expenditure by over \$13,000.00 and doubts were expressed whether, allowing for every possible saving the operations of the Society could be continued without loss at the rates of fees then existing.

This doubt unfortunately proved to be too well founded, and although every exertion was used, and every means adopted to reduce the expenses to the lowest possible limit, the deficiency rapidly increased,