

they would approve of what the Directors had done. They had also made some change in the officers of the Society; they had endeavored to extend their operations in various parts of England, Scotland and Ireland, and also in Canada, and while upon this ground he might mention that some gentlemen had intimated that the expenses of the Society upon this portion of their operations had been rather larger than in previous years. That was perfectly true, but shareholders must look upon that expenditure not as the expenditure of the one year, but as an expenditure to be spread over a series of years, and to come back in the shape of a considerable amount of new business. They had not incurred that expense in places where they did not think they would get a remunerative business in return, and it was the firm belief of the Directors, and also of the officers of the Society, in whose judgment they placed the utmost reliance, that the result of this expenditure would be a considerable accession of new business to the Society. (Hear, hear.) Speaking of the expenditure they had made in the office proper, he might mention that the Directors had thought it right to give to their secretary (Mr. Butler) some assistance in the shape of an assistant secretary. Mr. Skirving had been appointed in order that every department of the office might be well overlooked, and the business would, they were sure, continue to improve under their able management. (Hear, hear.) They had appointed Mr. James Grant as their resident secretary in Canada, a gentleman in whose favor they received testimonials of a most satisfactory character. He resided in Canada for a considerable number of years, and acted there for one of the first offices in Scotland, and they received from that office a testimonial with regard to that gentleman which induced them without hesitating for one moment to place him in Canada, as their Secretary, and they sincerely believed, from all they had heard of him and from the amount of assurance business he did in Canada, while acting for the office to which he had referred, that he would be able to increase the business of the Society in that part of the world to a very great extent. The chairman concluded by moving the adoption of the report and accounts.

The Rev. Mr. Whittington seconded the motion. Some discussion followed on a suggestion of Mr. Pulling, as to whether it would not be advantageous to the Society if a fire branch could be added to its business, but it was stated by the chairman and by the solicitor that a fire business could not be carried on under the existing deed of settlement, which provided only for a life business.

The report was adopted *un. con.*

The retiring Directors and auditors were then re-elected, and a cordial vote of thanks having been voted to the chairman, directors, and the various officers of the Society, the proceedings terminated.

#### STANDARD LIFE ASSURANCE COMPANY.

The annual meeting of this company was held in Edinburgh on the 19th April, 1869, George Moir, Esq., in the chair. The annual report and the balance sheet having been submitted the chairman then addressed the meeting as follows:

The progress of the company during the past year has been so fully brought before you in the report of the Directors, that little remains for me to say in addressing you from the chair; but it may, perhaps, tend to a fuller appreciation of the results communicated, if I place them before you in a somewhat less formal shape than they are given in the report.

The first point which claims your attention is the large amount of new business offered to the Company during the year 1868, being larger than in the previous year—which was one of marked increase—and of such an amount as to bear ample testimony, not only to the favorable position

which the company occupies in the public estimation, but to its wide-spread and influential connection. Neither the amount or the number of assurances accepted quite reaches the sum of 1867 although the amount and number proposed exceed its results: but the Directors consider themselves quite entitled to claim credit for the exercise of a wise discretion in entering into a smaller number of contracts out of a larger number of proposals; indeed, the "Selection of Lives," which is the point involved, is one of the most important parts of the Directorial Duties, requiring constant watchfulness and attention.

But while making this explanatory statement, I would claim for the year 1868 a special advantage over the year 1867 in its general progress, although its actual progress may have been very similar; for it is a noteworthy fact, that, while within a few weeks of the closing of the year's business the year 1868 was in advance upwards of £100,000 in new assurances over the same period in 1867, the progress made in these few remaining weeks was so much interfered with by the general elections, that the anticipated large increase, of which the Directors had just hope, was not realized at the close of the year, although the large and satisfactory results now reported were reached.

Next in importance to the selection of lives is the investment of the Company's funds, and unre-laxed attention is paid to that department of management. The rule of the Board is to invest chiefly on the security of real estate, as the most reliable mode of safely employing the funds which, in the course of the business, it is their duty to accumulate and protect, and it will be observed that the company have upwards of two-thirds of their funds invested in first-class mortgages and landed securities. The other securities and investments held are also unexceptionable, although not coming under the class of "mortgages." Some are first-class debentures and stocks guaranteed by the government of India; others consist of government securities; and loans to the Company's policyholders within the value of their policies; while a considerable amount consists of the remaining investments of those companies whose business has been transferred to the Standard, and which, being of a more general character than those we are in the practice of selecting in connection with our larger opportunity of investment, cannot be so easily branched under precise heads. The obligations of other companies; investments in connection with the Colonial branch; current balances due by banks, agents and others; and "miscellaneous property," make up the total. The Directors are satisfied that the investments held are of the first-class, a point which will be more fully brought out next year, when a committee, specially appointed, will report on each separate transaction, with a view to the investigation of 1870.

The company continue to receive a fair and remunerative rate of interest on their investments. It is not possible to secure a larger rate without seeking less eligible transactions for the investment of the funds, which the Directors are not prepared to do; and, pursuing that course, they will consider themselves fortunate if they can continue to realize an average return of 4½ to 4¾ per cent on the large sums for the investment of which they have to make provision. Such a return will, it is scarcely necessary to add, prove highly remunerative, and yield a considerable margin of profit.

The quinquennial periods which separate our investigations and divisions of profits succeed each other with what seems to be increasing rapidity, for the company's transactions are now so extensive, that, no sooner has one period been closed and reported on, than the attention of the Directors is called to the approach of another investigation. Already the manager and his assistants have, for twelve months, been engaged in the preliminary arrangements and calculations for the periodical investigation of 1870. These investigations have become a truly gigantic work,

and the more so, as the Directors, acting on the advice of their manager, are not content to investigate the Company's position by the test of one set of observations only, but, watching closely their own experience and that of other companies, as well as the Registrar-General's observations as to the value of life among the population generally, they do not hesitate, acting on the wide discretion which the company's constitution affords, to use every precaution, by the employment of new and improved data, to keep the institution in the soundest position. The Manager expects that all Assurance companies will derive very great advantage from an enquiry now in progress into the mortality experienced by the Scotch offices, and by a separate inquiry instituted into the results shown by these offices in combination with a select number of the English companies. The reports on both sets of observations will shortly be published, and the Directors will not fail to avail themselves of the results.

The bill as to Assurance Companies' accounts, which has been introduced into Parliament this session is an important one, as, if passed into law, it will enable the public to see the progress and position of the different offices by the registration of accounts in a set form. Your Manager has acted on the committee of managers for the revision of the bill, and anticipates confidently that its adoption will be a service to the cause of Life Assurance. The balance-sheets and schedules required are highly important; and whether the measure becomes an Act or not, the Directors propose to adopt these forms, as adjusted by the committee, for the better exemplification of the business in future years.

On previous occasions, when you have done me the honor to call me to this chair, I have dwelt upon the means employed by the Directors to extend the business, but I do not now find room for any observations under that head, as, in the advanced position in which we now stand, we have very nearly, I think, exhausted our plans of extension. We must now endeavor to consolidate our connection, and to render our sources of supply as far as possible continuous. No doubt we require to be alive to the Company's interests, and alert in maintaining its high character; but I think we act wisely in laying out for ourselves, not plans for increased extension, but plans for the permanency of the institution, doing the work which we have taken in hand conscientiously and prudently, while we afford as much benefit as possible to those who confide in us.

The Report was unanimously adopted.

#### FREEHOLD PERMANENT BUILDING AND SAVINGS SOCIETY.

In presenting the tenth annual report of the Society's affairs—full particulars of which are herewith annexed—the Directors have the satisfaction of informing the shareholders that the business of the Society has been steadily increasing, the loans on mortgage being \$85,445 in excess of those during the previous year. There has been a considerable increase in re-payments as well as deposits, and all the funds of the Society are now profitably employed.

The profits of the year after deducting all expenses, amount to \$43,739.90, out of which two half-yearly dividends have been declared, amounting together to \$36,054.24. \$7,524.13 has been added to the reserve fund, which is now \$40,000, and the remaining \$161.53 is at the credit of contingent account.

The position of the Society being so favourable, the Directors having resumed their former practice of paying a ten per cent dividend, which was reduced for a time in order to accumulate a reserve of ten per cent on the entire capital. This having been accomplished, in connection with the fact that the securities held by the Society are of an undoubted character, the Directors apprehend no