

with the successful business of the past year, have enabled the Board to meet the heavy demands upon the Company.

The Board now submit the Balance Sheet for the past year, and their Financial Budget for the year just entered on, being a Statement of the Assets and Liabilities—Appended to the latter is a Schedule of Contingent Liabilities, being the estimated amount payable on unascertained or disputed claims, and the value of subsisting risks in both Fire and Marine, the whole admitting of a favourable contrast with the previous year.

There is then every reason to hope that the future business may, with continued care, be as profitable in its results as were the operations of the past year. And as between the Company and the Public, the latter may rest well satisfied with the security which the Company affords them, and its ability to protect the insuring public against any possible losses on the transactions of the Company.

Your Directors submit to you the propriety of the future appointment of the Auditors for the year being made by the Shareholders in Annual Meeting instead of by nomination of the Board. By this step the Auditors will become the Officers of the Stockholders, independent of the Board, and may be authorised to report on all Financial Statements prepared by the Manager, auditing all the accounts quarterly for the information, or guidance and security of the Directors.

With the present aspect of affairs,—the steady improvement in the business,—and great reduction in the liabilities, the Directors indulge the hope that the remaining engagements of the Company may be met without the necessity of any further call upon the Stock, and that time only is needed to place the Finances of the Company in such a position as to render it what it should be, a profitable investment to the Stockholders and a reliable channel of Insurance to the Community.

Signed.

J. S. HOWARD, *President.*

EDW. TAYLOR DARTNELL, *Manager.*