

**THE STANDARD FIRE INSURANCE COMPANY
OF HAMILTON.**

(ITS SWORN STATEMENTS 1878-1882.)

We have gone carefully over the *sworn* statements of this company from its foundation to December 31st, 1882. Some facts gleaned therefrom will be found interesting. We will first deal briefly with the

PAID UP CAPITAL STOCK.

On December 31st, 1882, the liability under capital stock is represented as being \$19,309, but the *cash received* on capital stock up to that date according to these sworn statements to the Government amounted to \$22,388.45, as will be seen by the following figures :

Amount paid up in cash Decem- 31st, 1878,, as per statement under heading "Capital.".....	Amount of paid up capital under head- ing "Liabilities."
\$10,644 00	\$14,690 00
Received in 1879..... nil	13,584 00
" " 1880..... 5,009 00	15,653 00
" " 1881..... 1,485 45	18,249 00
" " 1882..... 5,250 00	19,309 00
<u>Total received since beginning.. \$22,388 45</u>	<u>\$19,309 00</u>

This is truly a remarkable series of statements. At the very commencement the company declares in its 1878 return, that the capital paid up is \$10,644, while under "liabilities" the amount is stated to be \$14,690, or about forty per cent. more than the first amount. Which statement to believe we do not know. By the close of next year (1879), over \$1,000 of this "paid up capital" had in some mysterious way disappeared, and the amount was stated to be only \$13,584, although no amount had been paid to redeem stock. What became of the thousand dollars? It may be said that the directors cancelled it for non-payment, of calls, but this cannot be for the subscribed capital did not vary in the least, moreover the share list is precisely the same as the previous year, with the exception of two unimportant transfers. Again, while the statement says that the "total capital paid up in cash and notes" is \$15,653 00, the list of shareholders attached to the return gives capital "paid up in cash" \$16,199.00, and "paid by note" 3,100, making in all \$19,299. The amount paid up in cash alone, as given here, is larger than the amount stated in the accounts to which it is attached, as the "total capital paid up in cash and notes." Either one or other of these statements is evidently false, and as both are *sworn to by the officers*, we leave it to our readers to judge whether they are guilty of perjury or not. Another point on which we would like information is as to whether this \$3,100 last alluded to as notes given for calls on stock, is not included in the \$11,997 of bills receivable for which the company takes credit. We believe it is, although of course we cannot be absolutely certain. If it is, the company's officers have deliberately prepared, published and sworn to statements purporting to show its financial position which were glaringly false and intended to deceive the public.

In the next year, 1880, \$5,009 was said to be received from calls, and still the "paid up capital" only increased,

by a little over \$2,000, to \$15,653. What became of the remaining \$3,000? In 1881, \$1,485 was received from calls, but strange to say the capital increased nearly \$2,600. Was this \$1,100 part of what belonged to 1880, and was it merely one of the usual mistakes that placed it in the 1881 account? In 1882, \$5,250 was received from calls, and the paid-up capital increased only by a little over \$1,000. To sum up: \$22,388.45 has been acknowledged as received in the five years, and only \$19,309 is accounted for. About fifteen per cent. of the capital has disappeared in some mysterious way. We have been told that the explanation which will be given, is that certain shares have been confiscated by the directors for non-payment of calls. The directors certainly have the power to do this, but we most emphatically assert that we do not believe this can explain matters. We challenge the officers to name the holder of even one share which had a dollar paid on it *in cash* which they forfeited. We have looked carefully through their published share lists and fail to find in any one of them even one shareholder who, if he had paid any sum at all in cash, had not paid the full ten per cent. on the amount subscribed, and thus placed himself beyond the power of the directors to cut off. We forget however, there is one such name, Mr. H. Theo. Crawford, the secretary of the company. Have the directors cancelled his stock? It must be remembered that it is the amounts actually received by the company which have to be accounted for, and the writing off of some notes for stock as worthless, does not account for the deficiency in the actual cash transactions. We believe the company has written off part of its stock notes, but this merely goes to show that a large proportion of their notes for stock are utterly worthless. For our part, we are inclined to think that nearly if not all these notes should be written off. If they are of any value whatever, why have they not been collected long ago?

In the list of stockholders for 1880, we notice the name of Mr. James B. Boustead, \$2,000 subscribed, \$200 paid. In the list for 1881, we notice the same name with the same amount subscribed, but *nothing paid*. Was the \$200 returned, or was it merely another mistake?

INTEREST AND DIVIDENDS DUE AND ACCRUED.

We would next draw the attention of our readers to the item "Interest and dividends due and accrued," but which had not been paid the Company at the close of the year when the accounts were made up. The amounts given under this heading in the list of assets of the different years are as follows :

Year.	Amount.	Per cent. of in- vested assets.	Interest and Dividends received.
1878.....	\$ 649.05	2.2
1879.....	2,037.48	6.6	\$ 607.80
1880.	4,115.00	11.9	585.13
1881.....	2,939.45	9.3	1,627.68
1882.....	4,183.05
	<u>\$9,740.98</u>	<u>7,003.66</u>