

“ Some lodges are unfortunate enough to own a hall. If I wished to work a lasting injury to a friendly society, I would present it with a section of land. I know of several cases where such a fatal gift has been made with the best intentions, but with disastrous results. I cannot help thinking that it is quite time for the Legislature to step in and prohibit the sinking of the benefit funds of societies in these speculations, which not only swallow up the capital embarked in them, but often prove veritable horse-leeches in the constant drain which they cause on the resources of the society. In any case the disastrous nature of these so-called investments has been so clearly shown that the governing bodies of societies ought really to take the matter up, and forbid any further appropriation of funds in this direction.”

*Pioneer Lodge.*—There is no evidence of the correctness of the value of the property as returned. No interest is being earned. The surplus, therefore, is purely hypothetical.

*Leith Lodge.*—The result of this valuation is much less favourable than that made at the end of the preceding quinquennium.

*Alfred Lodge.*—This lodge has been financially very successful during the quinquennium, and, not having burdened itself with a white elephant in the form of a hall, has passed from a deficiency at the previous valuation to a surplus.

*Star of Canterbury Lodge.*—The financial position of this lodge, though nominally worse, is actually better than at the former valuation.

*Alexandrovna Lodge.*—The remarks made above in reference to the *Pioneer Lodge* are applicable to this lodge also.

*Unity Lodge.*—This lodge, though favourably situated in a chief centre of population, has so mismanaged its affairs as to call forth the severe remark of the valuer that either it should determine in future strictly to carry out its rules, or dissolve.

*Victoria Lodge.*—The valuer says that there is, according to the return, “ a net balance of £197, provided the value of the landed property is correctly stated. Of this I have no means of judging; neither can I give any opinion on the anomalous circumstance of a lodge which has been in existence for twelve years possessing no cash whatever and being in debt beside, since I have not been supplied with any information as to the financial transactions of the lodge during the past five years except a cash account for the last six months.”

*Linden Lodge.*—In this lodge there has been misapplication of benefit funds and general mismanagement.

*Southern Cross Lodge.*—In the success of this lodge is seen what a good result a branch of this order under able management can accomplish, so greatly does success or failure depend upon other causes in addition to an adequate scale of contributions.

*Pioneer of Southland and Star of Auckland Lodges.*—There have been some irregularities in the past with regard to the funds, in spite of which there is a surplus. The secession rate for the quinquennium is very high.

*Washington Lodge.*—The following is an extract from the valuer's report: “ There is one item in your balance-sheet about which I feel it my duty to caution you. I allude to a ‘ section of land, £75.’ Now, it is bad enough to have £75 lying idle, but if you contemplate making any use of this section, as is too often the case, by building a hall on it the consequences will most likely be utterly disastrous. Should such an intention exist, I can only urge you in the strongest terms to abandon it. Within twenty miles of where your lodge is situated are to be found as many societies which have become all but hopelessly crippled in their finances through having changed hard cash into land and buildings.”

*Prebbleton Lodge.*—A small surplus is shown; but in every lodge whose members are few there is danger from possible extreme fluctuations in the sickness experience.

*Alma Lodge.*—The recent enormous decrease in membership has left few to share the funds of the lodge. The consequence is that a surplus appears, but the result cannot be regarded with unmixed satisfaction.

*Wallace Lodge.*—On the assumption that a correct estimate has been returned of the value of the property there is a small surplus; but without better management and strict application of the benefit fund there must ensue financial ruin.

*Ridgley Lodge.*—The valuer reports that owing to imperfect information he cannot offer a certain explanation of the deficiency.

*Kawakawa Lodge.*—The surplus is the result of a favourable sickness experience combined with a heavy secession rate. The numerical weakening of the lodge increases the risk of an abnormally heavy sickness in the future.

*Gladstone Lodge.*—The surplus would have been larger had there not been misapplication of the benefit fund.

*Mataura Lodge.*—Notwithstanding two sources of weakness—a hall and a paucity of members—there is a surplus.

*Kaeo Lodge.*—There is an estimated surplus, but no interest has hitherto been credited to the benefit fund. The membership also is too small for safety.

All the other lodges included in the valuation have been recently established, and nothing in the several reports appears to need special comment.

VALUATION OF THE AUCKLAND DISTRICT, A.O.F., AS AT THE 31ST DECEMBER, 1887.

(Mr. Wright.)

49. An exceptional feature in the rules of this society is the provision that members permanently sick are cut off from benefit when their sickness has extended over two years. The option of accepting £10 in lieu of all further claim upon the funds is offered to them. The valuer thus refers to this rule:—