

“Your district does not fully carry out the principles which guide and actuate either your parent society or those of most other friendly societies.”

This is a very mild mode of characterizing such a mischievous provision. It cannot be that the members realize how great violence is done to the bond of friendship and brotherhood by the operation of this rule, whereby are cut adrift from the society those whose specially severe afflictions ought to entitle them to all the greater sympathy. It cannot be doubted that every case which shall arise where the irrecoverably sick man is left, *so far as the society is concerned*, to live and die a pauper, will bring discredit upon the very name of friendly society.

There is only one court which shows a surplus, the deficiency being caused in all cases primarily by “inadequate contributions,” increased in some courts by negligence in regard to the investment of the funds. The surplus of Court *Pride of Parnell* is contingent on the correctness of the value placed upon its invested capital.

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

(*Mr. Wiggins.*)

50. The district funeral fund and the sick fund of each branch, except that of Court *Pride of Courtenay*, show deficiencies, the contributions being inadequate, especially those paid by the members who entered before a graduated scale was introduced. The valuer comments on the fact that the contribution to the funeral fund is a fixed amount instead of being graduated according to age at entry. As the valuer also points out, in a society which is financially unsound those claims which have matured have been paid in part out of funds which should have been reserved to meet future liabilities. This is practically an unjust appropriation, on behalf of one class, of money which in equity belongs to another class. It is to be hoped that the day is not far distant when men who desire to invest their savings will not be satisfied to join a society without inquiry as to its financial position.

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

(*Mr. Wiggins.*)

51. There is a large deficiency in the district funeral fund which, as was to be expected, exceeds the amount of deficit at the former valuation. The valuer urges the society to take immediate action and raise the contributions to this fund to an adequate rate. In five courts out of the fifteen there is a surplus in respect of the sick fund, but Court *Enterprise* is the only one which, when the deficiency in the district funeral fund is taken into account, shows a net balance in its favour. The valuer in his separate reports to the various courts offers sound advice according to the respective positions and requirements of each, and rightly warns them of the inevitable consequences of further neglect.

*Court Pride of Dunedin.*—There is a nominal surplus which the court's share of the deficiency in the district funeral fund converts into an actual net deficiency.

*Court Pride of the Lake.*—A considerable portion of the benefit fund appears to have been misappropriated. Also, as is usually the case whenever a hall forms part of the assets, the rate of interest credited to the benefit fund falls far short of the average.

*Court Enterprise.*—The court benefit fund is in a very satisfactory position, but the surplus is largely reduced owing to the liability caused by the deficiency in the district funeral fund.

*Court Robin Hood.*—Nearly all the funds of the court have been sunk in a hall, with the usual disastrous result. The benefit fund has earned no interest during the quinquennium. It must therefore be concluded that a fictitious value has been set upon the property. The receipts and expenditure in connection with the hall should have been kept and shown separately so that the net profit or loss might have been readily ascertainable.

*Court Pride of the Leith.*—Although the valuation shows a deficiency, the court's position has considerably improved during the quinquennium. This improvement has been effected partly by the operation of the graduated scale of contributions and partly by the satisfactory rate of interest credited to the benefit fund.

*Court Bruce.*—The valuer states that, prior to the quinquennium, 1883–87, a portion of the benefit fund had been illegally transferred, and that in the division of the interest earned since 1882 the management fund has been credited with an undue share.

*Court Star of the Dunstan.*—An improvement in the financial position of the court has taken place during the quinquennium mainly in consequence of the light sickness experience. There is still, however, a deficiency. The freehold property, estimated at £150, does not appear to have any effective value.

*Court Pride of Oamaru.*—Considerable improvement has taken place during the quinquennium, but there is still a small deficiency.

*Court Star of Tuapeka.*—There is a serious deficiency. The valuer reports a large decrease in the average contribution per member since the last valuation. No explanation is offered of this. Failing a radical reform, there are some among the members who are destined to eventual loss and disappointment.

*Courts Pride of Alexandra, Roxburgh, and Excelsior.*—In each of these courts there is a nominal surplus which their respective shares in the deficiency of the district funeral fund convert into an actual net deficiency.

*Court Havelock.*—The benefit fund has been trespassed upon for management purposes, and there has been negligence in regard to the investments.

*Courts Star of the South and St. Andrews.*—There is a deficiency in each of these courts, but a considerable improvement in the financial position has taken place during the quinquennium.