U.A.O.D.—Pioneer Lodge, Ivanhoe Lodge, Timaru Lodge, Blenheim Mistletoe Lodge, Pacific Lodge.
S.D.T.—Grand Division.
Otago Railway Employés' Benefit Society.
Grey Valley Accident Relief Fund.
Dunedin United Friendly Societies' Dispensary.*

Statistics for 1887.

17. The number of lodges † whose returns are tabulated is 347, and of central bodies 30, distributed according to orders as follows:—

Society.	Central Bodies.	Lodges.	Society.	Central Bodies.	Lodges.
M.U.I.O.O.F.	14	125	L.U.F.B.S.	1	1
I.O.O.F.	1	18	I.O.R.	2	32
N.I.O.O.F.	1	2	S.D.T.	1	7
B.U.O.O.F.	1	3	H.A.C.B.S	1	15
A.O.F.	7	89	P.A.F.S.A.	1	10
A.O.S.	..	2	R.E.B.S.	..	2
U.A.O.D	..	41			

18. In Tables I., VI., and VII., attached to this report, the respective district totals include the funds of the central bodies.
19. In the final column of Table I. is entered the average surplus or deficiency per member, as shown at the last valuation of the society.
20. In the monetary tables, except the first, shillings and pence have been omitted, there being no apparent advantage in publishing the values more accurately than as shown by the nearest pound.
21. The number of members of these lodges at the end of the year was 24,928.
22. The following balance-sheet gives their total funds (including those of the central bodies) as at the 31st December, 1887:—

Funds.	£ s. d.	*Assets.*	£ s. d.
Sick and funeral funds	339,614 0 10	Investments at interest	244,072 0 0
Medical and management funds, goods, &c.	43,901 8 4	Value of land and buildings	107,663 5 7
		Cash not bearing interest	19,992 10 3
		Value of goods	10,586 8 5
		Other assets	1,201 4 11
Total	£383,515 9 2	Total	£383,515 9 2

23. The following summary shows the disposition of the various investments at interest, together with the respective average rates per cent.:—

Mode of Interest.	Amount.	Rate per cent.
	£	
On deposit with the Post Office Savings Bank	9,924 5,683	4·5 4·0*
On deposit with other banks	40,437	4·9
On mortgage of freehold property	165,567	7·7
In Government and municipal debentures	8,244	6·0
Other investments	14,217	6·9
Total	£244,072	6·9

* Interest on sums exceeding £200 in the P.O.S.B. is at the rate of 4 per cent.

24. Averages and percentages deduced from the tabulated returns for the years 1880–87 are given in Appendix IV.

Valuations.

25. Of the members of friendly societies very many are too careless of the future to be interested in the solvency of their lodge, while others are misled by the reckless assertions of a few who, utterly incompetent to form an opinion on the subject, do not hesitate to assert, with a confidence in proportion to their ignorance, that the rates of contribution are adequate to provide the benefits assured. Outside the ranks of friendly societies many are asking, "How can a sound society be distinguished?" There is a simple answer to this question. The result of a society's valuation is the true index of its position, so that it is easily within the reach of every one to ascertain whether a society is established on a secure foundation, and whether it is being managed with prudence and care. From time to time, paragraphs are inserted in the local newspapers in which the membership and funds of friendly societies are set forth, accompanied by congratulatory remarks on their financial position and numerical progress. These notices cannot be regarded as trustworthy evidence of the soundness of the society. If societies would publish their true position as ascertained by valuation the public would have an exact means of deciding which of them in any

* Twice amended during the year.
† The word "lodge," when applied to all societies, is to be understood as embracing the synonymous terms "court," "tent," &c., as used in the various orders.