26. The valuations of the undermentioned societies were made as at the 31st December, 1889:—

M.U.I.O.O.F.—Hawke's Bay District, Wanganui Lodge, Otago District.
N.I.O.O.F.—Auckland Provincial District.
B.U.O.O.F.—Wellington District.
A.O.F.—Hawke's Bay District.
U.A.O.D.—Lodges Hope of St. Albans, Excelsior, Oak of Sydenham, Myrtle, All Nations, West Harbour, Endeavour, Blenheim Mistletoe, Turanganui.

27. Summaries of the results of the valuations are given in two tables (Appendix V.).

Table A shows—

1. Number of members at the date of valuation;
2. Present value of benefits;
3. Present value of contributions to benefit funds;
4. Value of accumulated benefit funds;
5. Surplus or deficiency;
6. Average surplus or deficiency per member;
7. Average age of members;
8. Average annual contribution, per member, to benefit funds;
9. Average value, per member, of accumulated benefit funds;
10. Rate of interest, per annum, credited to benefit funds (average for quinquennium);
11. Surplus or deficiency at previous valuation (average per member).

Table B shows—

1. Ratio to liabilities of—(*a*) Present value of contributions to benefit funds; (*b*) value of accumulated benefit funds; (*c*) total assets; (*d*) surplus or deficiency.
2. Causes of surplus or deficiency.

For convenience of publication the causes assigned for the surplus or deficiency disclosed by valuation are indicated in Table B by means of letters referring to a list prefixed to the table.

28. Societies have been notified by the Treasury that after next year the quinquennial valuations will be made in the office of the Registrar *free of charge*. Societies wishing to have their valuation made by a valuer selected by themselves must engage the services of a valuer duly authorised, and be responsible to him for his fee. A copy of the circular is attached (Appendix VI.).

29. The New Zealand United Legal Friendly Benefit Burial Society, established at Auckland, after a very brief existence, came, during 1890, to an untimely end. Although the society's dissolution involved loss to some hundreds of persons, its career was fortunately brief, so that great hardship was suffered only by very few. It is to be hoped that the experience of those who have been victimised may serve as a warning to others, and that no similar institution will find persons in New Zealand willing to intrust to it their savings. In connection with the failure of the abovenamed burial society, it may be mentioned that a Select Committee of the English House of Commons was appointed to inquire into and report upon the operation of that section of the Friendly Societies Act which relates to collecting societies and industrial assurance companies, and to suggest what amendment of the law (if any) is required to insure the better management of such societies and companies and the more complete protection of their members. In their report the Committee distinguish between friendly societies proper and collecting societies, the former being "promoted and conducted for the benefit of the members," and the latter being "promoted and conducted for the benefit of the managers." They recommend, among other things, that collecting friendly societies and industrial assurance companies be registered under a special Act, and that the terms of this Act be made more stringent than the present section of the Friendly Societies Act which relates to these classes of societies.

30. From time to time societies have been informed, in some instances in reply to inquiry, that a trustee may not concurrently hold the office of either treasurer, secretary, or auditor in the society or branch for which he is trustee, and that a trustee may not borrow money on mortgage from the funds of his trust.

31. Under section 13 (4) of "The Friendly Societies Act, 1882," "A member may nominate any person, not being an officer or servant of the society or registered branch, unless such officer or servant is the husband, wife, father, mother, child, brother, sister, nephew, or niece of the nominator, to whom any moneys payable by the society or registered branch on the death of such member, not exceeding £50, shall be paid at his decease, and may from time to time revoke or vary such nomination by a writing under his hand similarly delivered or sent; and on receiving satisfactory proof of the death of a nominator, the society or registered branch shall pay to the nominee the amount due to the deceased member, not exceeding the sum aforesaid."

As it has been frequently contended that the will of a member is a sufficient revocation of such nomination, and as the decisions of Magistrates and County Court Judges on the subject have been conflicting, a case was submitted by the Board of Directors of the Manchester Unity to Sir Horace Davey, Q.C., whose opinion is as follows:—

I am of opinion that the execution of a will by a member disposing of his funeral benefit without delivering or sending the same, or a duplicate thereof, at or to the office of the society, so as to comply with section 15, subsection 3* of the Friendly Societies Act of 1875, is *not* a sufficient revocation (as between the society and those claiming under the member) of a valid nomination previously made, and that the person named in such nomination can give a good receipt to the society. It would, however, be prudent for any society to obtain the concurrence of the executor in the receipt where it can be obtained, but I do not think they can insist on it unless the executor gives them notice not to pay to the nominee.

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* Corresponding to the subsection of the New Zealand Act quoted above.