for the various liabilities of the Company, there remains a surplus of $192,891.53 for distribution as profit. Of this the Policyholders are entitled to three-fourths, or $157,794.42, and the statement of the Manager, to be submitted to the annual meeting along with this report, will fully explain the terms of the allotment of profit to them. The portion of the profits of the Company to which the shareholders are entitled, places at the credit of their account the sum of $35,097.11, and out of that it is recommended that a dividend of 8 per cent. be paid for the past year, upon the 1st September next, along with a bonus at the rate of $6 per share. These will make the return to the Stockholders equivalent to a dividend of 8 per cent. per annum during the past five years, and will leave at the credit of their account the sum of $10,097.11.

In the report of 1868, it was mentioned that some steps had then been taken toward establishing the Company in Nova Scotia, and in New Brunswick. Since then the encouraging progress of the agencies there, induced the Directors to sent one of the general agents, Mr. J. W. Marling, to reside in Halifax, for the supervision of the business in the Lower Provinces generally. They are pleased to state that under his efficient management, and with the valuable influence of the Honorary Boards there, that field has become an important auxiliary to the general business of the Company.

The Directors had to regret in the course of the last year, the early and somewhat sudden death of one of their colleagues, Mr. Geo. J. Forster, who, although he had not long been on the Board, was an influential and useful member of it. This occurrence, and the retirement as the act prescribes, of the other four Directors at the head of the list, viz: the Hon. J. H. Cameron, M.P., T. C. Street, Esq., M.P., N. Merritt, Esq., and Rich. Eaton, Esq., create vacancies at the Board. The four last named gentlemen are eligible for re-election.

(Signed,)

E. Cartwright Thomas, President.

A. G. Ramsay, Manager and Sec'y.

Hamilton, Ont., 26th July, 1870.

Statements of Receipts and Payments for the year ending 30th April, 1870.

RECEIPTS.

To Balance at 30th April, 1869		$990,8[illegible]5 30
" Premiums received on 1,062 new Policies and Renewals		203,695 71
" Interest earned on Investments and Profit on sales of Debentures		69,779 18
" Extra Risks	$226 32	
" Fines	66 62	
		292 94
" Received on Deposit and for Accumulation		14 05
		$1,273,597 18

PAYMENTS.

By Expense Account		43,510 46
" Written off investments	$37,497 24	
" do Co.'s Offices	15,675 31	
	$52,675 31	
" Less previously written off in 1868 and held in suspense	8,004 12	
		44,671 19
" Unpaid Half Premiums written off (on Half Credit Policies suspended)		4,577 00
" Re-Assurance Premiums		802 60
" Claims paid		69,081 59
" Cancelled (purchased) Policies		4,458 70
" Annuities paid (three)		842 34
" Interest on deposits		14 05
" Profits of Mutual Branch, paid as bonus	$6,028 24	
" " cash	1,794 56	
" " Permanent reduction	1,467 55	
		9,290 35
" 22nd Years dividend, paid on 2,500 shares		6,250 00
		$183,498 68
Leaving a balance of		1,090,098 50
(which is distributed as under)		$1,273,579 18

Cash in hand and in Banks	$21,868 35	
Cash in Agents' and others hands (including Receipts held by them for Premiums since paid)	53,760 12	
		75,628 47
Investments		845,969 47
Real Estate—Co.'s offices	$40,000 00	
Real Estate—other property	3,900 00	
		$43,900 00
Interest accrued to 30th April, 1870		11,751 49
Half-Yearly and Quarterly Premiums, secured on Policies, and payable within 9 months		51,105 02
Deferred Half-payments, on Half credit policies		60,242 21
Office Furniture		1,501 84
		$1,090,098 50

General Abstract of the Assets and Liabilities of the Canada Life Assurance Company, as at 30th April, 1870.

ASSETS.

Cash on hand and in Banks		$21,868 35
Cash in Agents' and others hands, including receipts held by them for premiums, which have since been accounted for		53,760 22
Mortgages on real estate—Value in account		345,613 43
Debentures—Value in account		387,015 80
City and town, including $48,300 par of Montreal	$185,606 95	
County	43,478 76	
Township	114,879 45	
Harbor of Montreal	85,169 53	
Village	8,081 11	
Dominion of Canada Stock		50,000 00
Stock in Montreal Consolidated Fund		21,200 00
Stock in Hamilton Gas Company		1,040 00
Bills receivable		16 50
Loans on Policies		23,563 03
" on Debentures		1,000 00
" on Stocks, &c		5,820 71
" on Bonds		400 00
Real Estate—the Company's offices	$40,000	
Other properties	3,900	
		43,900 00
Interest accrued on Debentures		11,751 49
Half-yearly and Quarterly Premiums secured on Policies, and payable within nine months		51,105 02
Deferred half-payments on half-credit policies		60,242 21
Office furniture		1,501 84
		$1,090,098 50

LIABILITIES.

Capital Stock paid up		$125,000 00
Balance of Money lodged for accumulation		244 74
Claims not fully due, or for which claimants had not presented perfect discharges at 30th April, 1870 (nearly all since paid)	$28,528 67	
Vested additions thereto	1,382 15	
		29,910 82

LIFE ASSURANCE FUNDS.

Reserve required to meet all outstanding and suspended Policies of Mutual Assurance business, and profits already declared thereon, including $7,283.75 of reserve for suspended Policies	$677,626 77	
Of proprietary or without profits assurance business, including $656.27 for suspended Policies	55,894 59	
		$733,521 36

ANNUITY FUNDS.

Reseserve required to meet all annuity obligations		8,331 62
		$897,206 97
Surplus of balance available for distribution as profits		192,891 53
Of which at credit of Policyholders for distribution as profits to them	$157,794 42	
At credit of Shareholders, being their share of profits, &c., less deficiency in Annuity Branch, &c	35,097 11	
		$1,090,098 50

(Signed) E. Cartwright Thoeas, President.

A. G. Ramsay,

Manager and Secretary.

Audited and approved,

(Signed) C. A. Barber.

The Canada Life Assurance Co.,

Hamilton, 26th July, 1870.

Report of Hon. Elizur Wright, of Boston, Consulting Actuary.

Boston, July 19, 1870.

I hereby certify that I have valued the policies of the Canada Life Assurance Company to the 1st of May, 1870, by the reserve necessary for re-insurance by that rule to be $733,912.96, as follows:—

Policies, 4,269	$6,237,420 64	$641,748 66
Bonuses, etc.	168,586 87	83,832 68
Annuities, etc.		8,331 62
	$6,406,007 51	$733,912 96

(Signed), Elizur Wright,

Consulting Actuary.

Report of Committee on Investments.

We hereby certify that we have carefully examined and passed in detail the various documents of debt and vouchers for investments of the Company, and find the amount thereof, as stated in the balance sheet, correct.

The balance of cash, as shown by the Company's books, on hand and with their bankers, has been also verified.

We are of opinion that from the great care which has been exercised in the investments of the Company's funds, and from our general knowledge of the securities, the value thereof, as exhibited in the abstract of assets, will be fully realized. (Signed),

E. Cartwright Thomas,

Thos. C. Kerr,

T. Bickle,

F. W. Gates,

Committee.

Canada Life Buildings,

Hamilton, 23rd July, 1870.

AUDITOR'S REPORT, 1870.

To the President and Directors of the Canada Life Insurance Company:

Gentlemen—I have respectfully to report the completion of the audit of the Company's financial affairs for the year ending at 30th April, 1870.

As in former years, but especially in this the bonus year, the primary, and perhaps most important duty was to audit the various securities, in which your assets have been invested; and I have, accordingly, looked into and examined this subject in all its branches.

Every security, whether in the shape of Debentures with their accompanying Coupons, Mortgages purchased, Loans made on real estate, and Loans on policies, has been produced, and verified by the securities themselves, by the cash journal, the seperate securities' ledger, and the general ledger.

The ordinary receipts and payments have been checked by the vouchers, the daily cash book, the cash journal, and the general ledger. The cash account has been checked all through by the bank transactions, as verified by comparison between the Company's books and the Bank's accredited pass books.

All the books, of every kind, kept by the Company, have been regularly audited in detail, the one by the other,—and I have the pleasure to submit herewith, the usual general statements, duly audited and certified, which exhibit, in a comprehensive form, the whole position of the business of the Company at the 30th April, 1870.

As this is a cycle in the affairs of the Company, it will not, I hope, be out of place for the auditor to express an opinion with regard to the securities held by the Company; and from my knowledge of such matters I do not hesitate to assert they are of so sound and satisfactory a character, that not only the shareholders, but the policyholders, have great reason to be contented therewith. Nor will it, I believe, be irrelevant for me to direct particular attention to the significant fact, conclusive, so I venture to think, of the general confidence enjoyed by the Company, that no less than one thousand and sixty-two new policies have been issued during the past fiscal year.

The progress made by the company of late years affords pleasing evidence that Canadians are ready and willing to maintain Canadian enterprises; and I am happy to have it in my power