Introduction.

In the publication of the accompanying Report and Statements, the Directors have been most anxious to render them as clear as possible, so that although a party may be ignorant of the mathematical process which governs all Life Assurance calculations, he may nevertheless be enabled to form a correct opinion as to the present position and future prospects of the Company.

They regard the time with feelings of great satisfaction when it is necessary that they should publish their Annual Report, not only because they can then afford those interested in the Company an opportunity of judging of its management and whether the end for which it was formed is likely to be attained, but because it has been assailed from various quarters, and objections have been raised against it, which an explicit and comprehensive Report can alone thoroughly remove.

The following are a few of these objections. They are, however, so trifling, that a little plain reasoning may be as efficacious to prove their falsity as the most comprehensive Report and Statements :

It had been said that Canada was too young a country to support a Life Assurance Company ; that the Capital of this Company was too small to ensure stability ; that there was no ascertained rate of mortality in Canada on which to estimate Tables ; and that this Company being of so recent formation, those consulting their own advantage would not assure with it.

If Canada really were too young a country to support a Life Assurance Company, how does it happen that considerably more than £15,000 per annum is expended by Canadians in British Life Assurance Offices ? Or, is a revenue of £15,000, with a certainty of progressive advance, insufficient to support a Life Assurance Company ?

The smallness of its Capital is decidedly in its favor; as a large Capital is not always an advantage to a Company, *or, at any rate, to that most important portion of it*—THE ASSURED ; and the most eminent Actuaries can be quoted in proof of this assertion. Professor de MORGAN says, at page 262 in his *Essay on Probabilities :* " Such a provision is in itself an obvious good, but it being