

participate in the regular distribution for the period subsequent to that covered by the interim dividend. The profits for the full period are being distributed, and will be completed in a few days. They will compare favourably with those paid by other companies, when the greater security offered by this Association is taken into account. A dividend at the rate of eight per cent. on the paid up capital has again been declared and paid for the year, and a surplus exceeding thirteen per cent. remained to the credit of the shareholders account. Out of this a bonus of two per cent. on the paid up capital has been declared, and the balance carried forward. The Association occupies a position of financial strength and breadth of business not often attained by companies during the first five years; and the solid progress made may be readily seen by the following statement of the assets at the end of each year, the paid up Capital remaining the same:

At the end of the 1st year.....	\$100,952 63
" " 2nd "	113,293 69
" " 3rd "	162,283 12
" " 4th "	223,474 38
" " 5th "	289,209 19

The investments have been carefully made, and the utmost care taken in the selection of risks; and while a good volume of business has been placed on the books, it will be satisfactory to know that the business for the past year has cost four and a half per cent. less than that of the previous year. In resigning into your hands the trust confided by you a year ago, the directors have only to assure you that the utmost care and attention on the part of the Board and committees of the Board, and of the officers of the Association, have been given to every department of the work.

J. K. MACDONALD, W. P. HOWLAND,
Managing Director. President

CASH ACCOUNT—1876.

1875. DR.	
Dec. 31. To cash in hand and in banks	\$ 6,961 79
1876. Dec. 31. To cash for premiums..	119,652 57
" " " for interest	14,779 95
" " " for loans repaid.	13,083 34
" " " from sundry sources	579 88
	\$155,057 53

1876. CR.	
Dec. 31. By expenses for year....	\$33,195 07
" " Re-insurance.....	2,877 44
" " Surrendered policies.....	7,411 89
" " Death claims.....	18,455 00
" " Interim profits to participating policyholders	1,300 39
" " One year's dividend on stock	4,000 00
" " Premium returned on cancelled policy..	65 00

INVESTMENTS.

Dec. 31, 1876.	
By debentures (cost)....	\$23,408 00
" " Mortgages.....	49,556 77
" " On stocks.....	1,900 00
" " Savings bank stock.	500 00
" " Loans on two policies	185 88
" " Sundry advances....	408 92
	75,959 57
" " Cash on hand and in banks	11,793 17

\$155,057 53

BALANCE SHEET.

Liabilities.

Dec. 31, 1876.
To assurance fund, or amount in hand required to meet future

claims, as per valuation of the actuary, at $\frac{4}{5}$ per cent. \$190,715 30
Less, for reserve on policies re-insured 7,053 87

To reserve on policies lapsed, and liable for surrender or restoration.	2,301 57
To losses by death, accrued but not yet due	4,500 00
To all other accounts, including premiums paid in advance	3,335 80

Total liabilities to policyholders....	\$193,798 80
To amount of paid-up stock, being 10 per cent. on the subscribed capital of \$500,000	50,000 00
To amount held to cover the cost of collecting the premiums outstanding and deferred on Dec. 31, 1876	3,030 22
To surplus:	
Participating policyholders' share	\$31,541 05
One year's interest on paid-up capital	4,000 00
Stockholders' share	6,832 12
	42,373 17

Total.....\$289,202 19
Assets.

Dec. 31, 1876.	
By debentures (market value, \$100,875)	Cost \$ 98,538 00
(Excess of market value over cost price, \$2,337 00.)	
By mortgages	141,885 66
By loans on stock	6,450 00
By Government 5 per cent. stock, (\$3,500 par)	Cost 3,497 50
By loans on two policies.....	185 88
By sundry accounts.....	819 89
By furniture	1,184 33
By cash on hand and in banks	11,793 17
By premiums in course of collection (reserve thereon included in liabilities)	11,377 48
By quarterly and half-yearly premiums on existing policies due subsequent to Dec. 31, 1876, (reserve thereon included in liabilities)	
	8,824 00
By interest accrued	4,646 28

Total.....\$289,202 19
J. K. MACDONALD,

Managing Director,
We have examined the books of account, securities and vouchers representing the cash account and investment account, also the securities represented in the balance sheet of assets, and hereby certify to the correctness of the same; and find the books, securities and vouchers in a most satisfactory and clear condition.

WM. ANDERSON, } Auditors.
ALFRED J. MASON, }

Toronto, March 27th, 1877.

TORONTO, March 27th, 1877.

To the Board of Directors of the Confederation Life Association.

GENTLEMEN.—We, the undersigned, comprising the Special Committee of the Board charged with the examination of securities representing the investments of the Association, as on December 31st, 1876, beg to report:

That we have made a thorough examination in detail of each mortgage, debenture, Government stock, and of the loans upon the security of stock, representing the investments, all of which are set forth in detail herewith; that the same are carefully kept, the transferable securities, \$85,800.00, face value, are deposited with the Government, and are in the joint custody of the Assistant Receiver-General and your

Managing Director; and the balance, amounting to \$17,101,000, face value, are in the joint custody of the President and Managing Director, and deposited in a box in the Receiver-General's vaults. That the various loans, in our opinion, have been carefully made, and form a desirable and high class of securities; and that the debentures held by the Association could be sold in the market this day for an advance of at least two thousand three hundred and thirty-seven dollars (\$2,337.00) over the cost price at which they are entered in the balance sheet of the Association.

WM. ELLIOT, Chairman.
E. HOOPER.
FREDERICK A. BALL.

TORONTO, March 22nd, 1876.

I hereby certify, that having computed the value of the risks of the Confederation Life Association, as stated below, upon the basis of the Institute of Actuaries' Life Tables, and interest at the rate of $\frac{4}{5}$ per cent. per annum, taking account of the net premiums only, I find the liability thereunder as follows, as at date of 31st December, 1876.

Number of Policies valued 2,781, insuring an amount of \$4,004,089..	Present Value, or Reserve. \$190,725.30
Of these 31, for an amount of \$105,592, were re-insured.....	7,053.87
Leaving a net liability of.....	183,661.43
To this must be added unclaimed surrender values to an amount of	2,301.57
Making the total net liability.....	\$185,963.00

CHARLES CARPMAEL.

TORONTO, April 10th, 1877.

REPORT OF THE TRUSTEES RESPECTING CASH VALUES UNDER GOVERNMENT SAVING BANK POLICIES.

The Trustees beg to report that they hold Government stocks to the amount of \$3,500, covering a total liability under 106 Policies of \$3,146.56.

W. P. HOWLAND, }
WM. MCMASTER, } Trustees.
J. K. MACDONALD, }

MINING IN NOVA SCOTIA.—A new copper mine has been opened at Tatamagouche N. S. from which 10 or 12 tons has been shipped to Swansea for testing. The Plaister trade at Windsor has started up, and promises fairly, 190, 620 tons of Nova Scotia coals have passed over the Intercolonial Railway, of which 48601 tons were used by the Railway department. Several steamers and sailing vessels have been chartered to carry coals from the Block House Mines Cape Breton. Some parcels of manganese from Tenecape have been placed on the London market very successfully.

—A peculiar transaction in flour came to our notice recently in the Capital of one of the Maritime Provinces. A sold 100 bbls. of flour to B, at 30 days, taking his paper for the same; B in turn sold the flour to C at three months, receiving his note for it; C sold to D on same terms; D to E; E to F, and finally F to G, who took it into stock. What prices were realized by the several sellers we are unable to say, but A (who was enabled to trace the transaction) found that G, a responsible and close buyer, bought the flour at a very slight advance on the original price paid. Thus six different notes of hand were given for the 100 bbls. of flour within as many days, making a total liability of \$4,000. As three brokerages were paid by that number of sellers, the query naturally arises,—Where did the profit come in?