used in valuing the policies, the several net results are here appended:

> Surplus over all liabilities and capital stock.

Since the last annual meeting the Company has further extended its operations in the United States by establishing a branch at Philadelphia, covering the States of Pennsylvania and Maryland, and the District of Columbia.

The foregoing statements speak for themselves as to the progress and prosperity which have characterized the Company's growth; and the character of its business in those matters which do not appear on the surface and which can only be known to those having an intimate knowledge of its affairs, has been equally satisfactory.

The Directors have to record with much regret the death, since the last annual meeting, of their esteemed colleague, Mr. Robt. Anderson, who had been a member of the board since 1884 and whose deep interest and conservative judgment they much appreciated. Mr. T. B. Macaulay was unanimously appointed to fill the vacancy thus created. The Directors who retire by rotation are the Hon. A. W. Ogilvie and Mr. J. P. Cleghorn. Mr. T. B. Macaulay's election also comes before you for confirmation.

R. MACAULAY,

President.

T. B. MACAULAY, Secretary and Actuary.

> A. W. OGILVIE, Vice-President.

STATEMENT OF ACCOUNTS FOR 1806.

INCOME.

 Premiums—Net.
 \$1,529,624
 34

 Annuities
 120,644
 91

 Interest and Rents
 2,55,989
 64

Total Income\$1,886,258 on

DISBURSEMENTS.

ASSETS.

[Including uncalled Capital, the Total Assets are \$6,825,644-66.]

 Cash Surplus to Policyholders by Hm. 4 p. c.
 345:108 65

 Standard
 345:108 65

 Capital paid-up
 \$ 62,500 00

 Net Surplus over all Liabilities and Capital Stock
 282,608 65

\$ 345,108 65

The Net Surplus according to the Government Standard is...... \$ 595,002 02

The Surplus to Policyholders, including subscribed but uncalled Capital, according to Govt. Standard is..\$1,033,402-02

\$6,388,144-66