

business, whilst from British Columbia a good beginning has recently been made by the transmission of several satisfactory applications. In accordance with the provisions of the Charter the accompanying by-laws are submitted to the meeting for approval.

The Directors, in retiring from the posts they have temporarily filled, believe they may fairly claim the right of congratulating the members of the Association on the success which has attended the starting of the Association, and the hopeful prospects which lie before it. During this, the first year of its operations, it has done more business than (with one exception) any other Company operating in the Dominion, as shown by the last Government returns; and it has seldom happened that a Company has been able to exhibit an actual surplus on the business of the first year, as this Association has succeeded in doing. The Directors have every confidence that their successors will carry on the work so well begun, and that the history of the next few years will show that the Confederation Life Association will have become one of the leading institutions in the department of life assurance.

W. P. HOWLAND,
Vice-President.

WILLIAM McCABE,
General Manager and Secretary.

Actuary's Valuation Report.

I have valued individually the policies of assurance in force to Oct. 31st, 1872, on the basis of the Life Tables used by the Association at 4½ per cent. interest, considering only the net premiums receivable, and thus leaving the whole of the loading to meet future expenses and profits.

Number of policies valued.....	1,098
Bearing gross amount \$1,689,200 00	
Liability under same ..	31,113 25
No. of policies of re-insurance, 14	
Bearing gross amount ..	60,000 00
Liability of same	1,543 20

Total net liability.. \$29,570 05

J. B. CHERRIMAN, Actuary,
Confederation Life Association.

Dec. 9th, 1872.

Receipts.

Stock	\$50,000 00
Premiums for year ending	
31st Oct., 1872	\$35,195 15
paid in advance	
of account of 1873 ..	2,228 93
Interest and profit on purchase of Debentures...	37,428 08
Repayment of Loans...	4,749 10
Sundry Sources	966 67
Bank of Commerce.....	382 81
	900 09

Disbursements.

Government Deposit....	\$50,000 00
Loans	12,300 00
Commissions	5,141 67
Medical Fees	2,409 93
Re-Assurances.....	1,690 45
Advertising	917 38
Salaries	6,226 19
Printing	850 56
Postage	255 97
Preliminary Expenses ..	1,311 87
Miscellaneous	2,730 34
Bank of Commerce	900 09
Cash on hand and in Banks of Commerce and New Brunswick	9,688 30

\$94,422 75

We have examined the foregoing statement and compared it with Agents' Reports, General

Ledger, and Bank Book, and find the amounts specified above agree with those respective books.

(Signed,) W. ANDERSON, } Auditors.
A. J. MASON, }

Assets.

Government Deposit	50,000 00
Municipal debentures ..	10,000 00
Loans secured by mortgages on real estate or collaterals	11,333 33
Deferred premiums	\$4,554 75
Less re-assurances	217 26
	4,337 49
Outstanding premiums in due course of collection	10,215 28
Interest accrued but not yet payable	1,537 25
Office furniture	743 66
Sundry assets, comprising preliminary expenses less one-fifth written off this year, and plant and general supplies.....	3,097 32
Cash:—	
(a) in Bank of Com. ..	9,445 96
(b) in Bank of New Brunswick	168 57
(c) in hand	73 77
	9,688 30
	\$100,952 63

Liabilities.

Assurance Fund, or amt in hand required to meet future claims (less re-assurances), as per valuation of Prof. Cherriman, Actuary	\$29,570 05
Due Bank of Commerce on account of Debentures purchased.....	9,850 00
Interest on same at 6 per cent	105 00
Due and accruing due on business of year on account of printing, office, supplies, salaries, taxes, rent, &c.	3,072 10
Sundry amounts chargeable for business of the year on account of medical examinations, agents' commission, postage, &c. (accounts not yet received)	2,000 00
Amount of all other claims against the Association, consisting of premiums received in advance ..	\$2,228 93
Less commission	111 44
	2,117 49
Total Liabilities, except Capital St'k	\$46,714 64
Amount of paid up capital stock (par \$100 per share)	\$50,000 00
Balance, being surplus over liabilities	4,237 99
	\$100,952 63

Lieut.-Governor Howland said, in submitting the report of the proceedings of the Company, he thought they could fairly congratulate themselves upon the results that had been attained. Of course, it must be taken into consideration in the organization of a company of this kind, that large expense in proportion to the amount of business must be incurred in the initiation of the Company. The operations of the Company were now organized upon a most successful basis throughout the whole Dominion from Halifax to Victoria, B. C., and the amount

of business they had been able to do the first year was an evidence that the organization was effective in all its parts. In the report references are made to the comparative business done by this company over others, and he had before him a statement of a number of life insurance companies doing business in Canada during the last year as follows:—

FROM LAST GOVERNMENT REPORT.

NAME OF COMPANY.	No of Policies (New)	Amount of Policies (New).
Canada.....	1529	\$2,221,944 00
Ætna	914	1,515,891 00
Atlantic	228	309,100 00
Connecticut.....	406	853,321 00
National	388	524,926 00
Travellers	512	862,000 00
Equitable.....	520	1,400,000 00
Life Ass. of Scotland	377	661,550 32
Standard	331	506,617 48
Confederation	1206	1,838,290 00

He thought there were some things in connection with this statement that were very striking and encouraging. The first was that we should have been able, in the very first year of our organization, to effect so large an amount of business—larger than any of the older companies had succeeded in doing with one exception. The other consideration was the positive evidence afforded of the confidence shown by our people in our domestic companies in preference to foreign. (Hear, hear.) As he had said before, the expenses of the first year's business were out of proportion to the business of the Company, and must naturally diminish the amount of profits; but the surplus shown by the statement would amount to a dividend equivalent to 8 per cent. upon the paid up capital of the Company. He thought they had every reason to be satisfied with the results of their labours for this year, and that they might look forward with the most perfect confidence to this company occupying a position of the very highest importance in connection with Life Insurance in the Dominion. If any further information was required he or the officers of the Company would be happy to afford it.

W. H. Gibbs Esq., M.P., moved second by W. S. Lee Esq., the adoption of the report.—Carried unanimously.

The Secretary then read the By-laws which on motion of James Beaty Esq., were adopted.

Mr. Beaty said as a shareholder and an outside officer he congratulated all concerned upon the successful results of this year's labors. He thought this was due primarily to the principle upon which the Association was based, and upon the excellent character of the directorate and management; and he had no doubt that any person seeing the accounts submitted to-day would be gratified at the immense success of this institution. The results were so very marked, both as to the number and amount of the insurance policies and the proceeds, that they must all congratulate themselves on the successful labors of the year.

Rev. Professor Young moved and it was resolved that the thanks of the shareholders and policyholders be presented to the Directors for their faithful attention to the interests of the Association. Hon. Wm. McMaster replied in suitable terms.

It was thereupon moved by the Hon. Mr. McMaster, seconded by Mr. R. Wilkes, M. P., and resolved, "That the shareholders and policyholders hereby record their appreciation of the energy, zeal, and faithfulness of the General Manager, William McCabe, Esq., in establishing and developing the Association; also of the able services of the Actuary, and of the general efficiency of the Inspectors and Agents