CITY EMPLOYEES HONORED

A banquet for retiring employees of the City of Charlottetown was held last night at the Charlottetown Branch of the Royal Canadian Legion. City Comptroller John Butler was on hand to present gifts on behalf of the city. LEFT TO RIGHT are Mr. Butler, Howard Frizzel, Mary McQuaid, Herbert Jewell and Ernest Seller.

Keir Memorial Church Holds Annual Meeting

The annual congregational meeting of the Keir Memorial Presbyterian Congregation was held recently in the church hall at Malpeque.

The meeting opened with scripture and prayer led by the minister, Rev. George R. Tannahill.

Frank MacNutt was elected chairman and the minutes of the 1965 meeting were read and adopted with corrections.

By motion it was decided for one year to subscribe to the Every Home Plan of the Presbyterian Record.

Mr. MacNutt, in reporting for the session thanked all those who gave leadership during the year and extended thanks of the congregation to the minister for his work. He reported six deaths, three baptisms and four new members added to the church roll.

The following reports were given: Board of Managers by Garth MacGougan; Session Fund, Mr. MacNutt; Ladies' Aid, Mrs. Wallace Pickering; W.M.S. Mrs. Lester Woodside; Sunday School, Mrs. Sidney MacGougan; the congregational financial report by Sidney MacGougan.

The three retiring managers, the auditors, Wallace Pickering and Earle MacKay, the secretary and treasurer were all re-elected for another year.

A committee consisting of Ms. John MacNutt, Mr. and Mrs. Roy Easter and Edgar Matthews was appointed to look into the matter of providing more space for the Sunday school.

A vote of thanks was extended by Percy MacGougan, to each family or church group who had donated church property during the year, either as memorial or gift. He also moved that a letter be sent to those not present at the meeting who had made donations.

The meeting closed with prayer led by Mr. Tannahill. Following this a lunch was served by Mrs. William T. Mill, Mrs. John MacNutt, Mrs. Sidney MacGougan, Mrs. Lester Woodside and Mrs. Roy Easter.

EASTERN FUNERALS

FINLAYSON FUNERAL — The funeral for Mrs. Annie Finlayson was held from Montague Funeral Home on Jan. 25 at 2.00 p.m. The service was conducted by Rev. Basil Lowery. Hymns sung by the choir were: The Lord's My Shepherd and Abide With Me. The pallbearers were George MacPherson, Angus MacGowan, George Hume, Harry Loane, John K. MacDonald and Fulton MacPhee. Flowerbearers were Douglas MacGowan, Colin MacDonald, Raymond Nicholson, Simon Campbell and Dan MacKinnon. Interment was in the Montague Community Cemetery.

CITY AREA FUNERALS

GALLANT FUNERAL — The funeral for John J. Gallant was held Tuesday Jan. 25 from his late residence to St. Augustine's Church, South Rustico, were Requiem High Mass was celebrated by Rev. Joseph LeClair. Pallbearers were: Reigh Bagnall, Gerald Proctor, Gordon Matheson, Fred Smith, James Gallant, and Gerald MacDonald. Interment took place in the church cemetery.

SHERREN FUNERAL — The funeral for Arnold Sherren took place on Tuesday afternoon from the Hennessey Funeral Home to the Church of the Most Holy Redeemer where Requiem High Mass was celebrated by Rev. William Cumerford, CSsR, who also conducted the service at the grave. Members of the Star Cab, government highway employees and the grade eight pupils of Birchwood High School attended the funeral. The pallbearers were: Ernest Coker, Cleaver MacLean, George Peterson, Albert Peters, Charles Gauthier and Phillip Coker. Interment took place in the Catholic cemetery.

McCAREY FUNERAL — The funeral for Ernest P. McCarey took place on Tuesday morning from the Hennessey Funeral Home to St. Dunstan's Basilica where Requiem High Mass was celebrated by Rt. Rev. William Simpson. Rev. Cameron MacDonald CSsR was present in the sanctuary. Representatives of the department of fisheries, the Garrison Officers and Civil Servants Association attended the funeral. The pallbearers were Augustus Dowling, Fred MacMillan, Alfred McKearney, Aretas MacKinnon, Emeric Holland and Maurice Cahill. Interment took place in the Catholic Cemetery, the service being conducted by Rev. Robert MacDonald.

DALZIEL FUNERAL — The funeral for Robert Dalziel of 109 Upper Queen Street was held Jan. 25 from the Cutcliffe Funeral Home to Spring Park United Church. Service was conducted by Rev. C.C. Lewis. The hymns sung were Abide With Me and Onward Christian Soldiers. Pallbearers were G.H. Chandler, E.J. Fardy, J.H. Huggan, H.J. Hobbs, F.K. Rush and E.R. White. Interment was in Floral Hills Memorial Gardens.

LOCAL BRIEFS

EGG PRICES

Dealers were quoting producers Tuesday for ungraded eggs delivered in Charlottetown 35 cents per dozen for grade A large, 26 cents for grade A medium and 25 cents for grade A small.

DIES IN BOSTON

Dr. W.R. Carson, Prince St., yesterday received the news of the death of his cousin, Robert W. Watts of Boston, Mass. Mr. Watts had many relatives and friends throughout the Province.

BIG PRODUCER

A Jersey cow owned by Ida Alice Edwards of Hampshire has qualified in record of performance testing with production of 10,083 pounds milk, 467 butterfat according to the current issue of the Canadian Jersey Breeder. The animal is Cresthill Hilda 1H.

RESULTS GIVEN

The following are the results of the St. Pius X card party: ladies, first, Mrs. Peter Doyle; second, Francis Handrahan; consolation, Pearl Rice; men's, first, Joe O'Hanley, second, Barry MacLeod; consolation, Joe Murphy; freeze-out, Blair MacLeod, Margaret McGuigan; special prize, Athol Ellis; door prize, Andrew Arsenault.

ATTEND MEETING

Leo P. McIsaac, Mermaid, left yesterday for Toronto to attend the annual meeting of the Canadian Federation of Agriculture. Mr. McIsaac is a delegate from the PEIFA. Jack Rodd, Milton, who is president of the P.E.I. federation is also in Toronto attending the annual meeting of the CFA which opened Tuesday.

New Life For Failing Hearts!

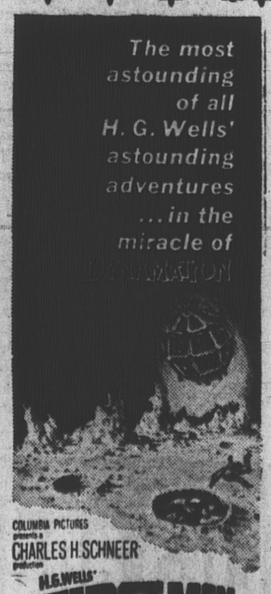
Dramatic new surgery, pioneered by a brilliant Canadian doctor, has launched "a new era of treatment" for victims of coronary-artery disease. In February Reader's Digest, read how movies are being taken *inside the heart*, and how a unique surgical "implant" gives patients a new lease on life. In your February Reader's Digest!

★ ★ ★ ★ ★

Confederation Centre

Thurs. - Fri. - Sat.
Shows at 8:00 Only

★ ★ ★ ★ ★ ★ ★ ★ ★ ★



WHAT

Will the U. S. astronauts find when they land on THE MOON?

SEE! GASP! WONDER! THRILL!

to the

WONDERS

of the moon world

ONLY The Space Age could have created it!

ONLY Dynamation could make it so real.

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CAPITOL

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Present Of Memorial Organ Is Offered Kensington Church

KENSINGTON — The congregation of the Kensington United Church has had under consideration for some time, the replacement of the present church organ. At the annual meeting held on Thursday evening at the Christian Education Centre, the organ committee reported that the Hammond organ at present on trial in the church was considered satisfactory, and also reported that the committee had received an offer of the presentation of this organ to the church as a memorial, pending the approval of the congregation.

The committee recommended that the offer be accepted, and also recommended that the organ fund be used to purchase a tone cabinet to complete the music complex.

The offer was accepted by the congregation. The recommendation for the use of the organ fund was also accepted and the fund is still open for contributions to be used for the purchase of the tone cabinet.

The meeting was preceded by a pot luck supper attended by approximately 80 people, and a singsong led by Verdun Paynter.

Devotions were led by the minister, Rev. Gordon MacBeth, who chaired the meeting. Keith Stewart was appointed secretary for the meeting, and read the minutes of the last annual congregational meeting as well as the minutes of a meeting held later in the year.

The thanks of the congregation was extended to Hattie Clark for her work in connection with the annual statements.

MINISTER REPORTS

The minister reported on the work in the church, the planning on visiting families, and the sick, proposed classes for church membership, and gave aspects of the spiritual work.

Reports were submitted by the various organizations of the church. Appointed to the Missionary and Maintenance committee for 1966 are Mr. and Mrs. Harry Brown, Hattie Clark and Everett Donald and one member from the UCW.

A statement was made on the financial situation in connection with the completion of the Christian Education Centre.

BOARD APPOINTMENTS

Appointments of replacements for the retiring members of the board of stewards were Duncan Picketts, Stanhope Moore, Harris Blakeney, Robert Williams and Gerald Caseley.

The nomination of Mrs. Leaman Caseley by the UCW to be an additional member of the board of stewards was accepted by the meeting.

Congregational appointments to the Christian Education committee were Bruce Howard, Mrs. Duncan Picketts and Mrs. Gordon MacBeth; to the Christian Education Centre coordinating committee, Mrs. Keith Ramsey, Gary Friesan and Edgar Millar; chairman of ushers, Hodge Montgomery; auditors, Keith Stewart and Fred M. Davison. James MacKenzie was appointed to the board of trustees replacing Gerald Mackenzie.

A motion was passed that the UCW be responsible for taking subscriptions to the Observer and The United Churchman.

Group Planning Reunion, Dinner

Members of the 1st and 5th Medium Artillery Association will hold a dinner meeting and reunion in the Kingston Legion branch on the evening of Jan. 26, it was learned today from Stewart G. Ives, Charlottetown, who was an officer with the 2nd Medium Battery during World War Two.

Actually, the reunion is in fact a get-together of the 2nd battery lads for the most part. But Lt-Col. D.J. MacCormack, who is president of the association explains that "we like to maintain our associations with the other men of the 1st and 5th Medium Artillery regiments."

The last time the association met was on May 11, 1964, when the gathering was held in the Legion Branch in Charlottetown. Walter Turini, Montreal, was president of the association at that time and Col. MacCormack presided as president of the Charlottetown Branch.

The association has branches in Montreal.

WEATHER

TORONTO (CP) — Observed temperatures:

Low overnight	High Tuesday
Dawson	-43 -39
Snag	-39 -18
Vancouver	29 42
Regina	-28 -7
Winnipeg	-25 -7
Toronto	7 11
Ottawa	-6 2
Montreal	0 7
Quebec	19 20
Fredericton	26 31
Saint John	27 30
Moncton	28 31
Halifax	29 36
Charlottetown	29 32
Sydney	31 34
Yarmouth	28 34
St. John's	32 33
Boston	29 33
New York	24 30
Tampa	49 70
Miami	58 75
New Orleans	41 42
Tucson	29 55
Los Angeles	42 64

HALIFAX (CP) — The weather office says cloudy skies were reported in the three Maritime provinces late Tuesday. A few snowflurries were occurring in some places. A large high pressure area over Ontario was moving slowly eastward and, as a result, skies will gradually clear during the day on Wednesday. Temperatures will turn much colder in the northern section, but only a little colder in the southern sections.

Thursday should be cloudy as a disturbance approaches the district from New England.

Regional forecasts:

Northern Nova Scotia, Eastern Shore, Cape Breton, Prince Edward Island: Cloudy with a few snowflurries, clearing this evening. Turning a little colder. Winds north 15. Low high at New Glasgow and Goshen 25 and 30, Sydney 27 and 33, Charlottetown 28 and 30. Outlook for Thursday: Cloudy. Seasonable temperatures.

"High tide today at Charlottetown 1.13 a.m. and 2.12 p.m. At Rustico at 10.02 a.m. and 8.47 p.m Summerside tide eighteen minutes later than Charlottetown. Sun rises today at 7.27 a.m. and sets at 5.24 p.m.

Kingston Bull Earns Award

Diamond Hill Dean received honorable mention in the competition that has just been completed for All Canadian Holstein junior yearling bulls. He is owned by Oswald J. Newson and Son, Kingston.

The All Canadian aged cow was Sonwill Reflection Bee owned by R.R. Dennis, Oak Ridges Farms, Ontario. This is the herd that is in charge of a former Island man, George Darrach, who is farm manager.

The Dennis herd accounted for six All Canadian winners, part owner in another, one reserve All Canadian and part owner in another.

In all 75 breeders from six Canadian provinces and four States in the U.S.A. had entries in the competition.

The All Canadian senior bull was Romandale Reflection Governor owned by the Romandale Farms, Unionville, Ontario.

How to relieve BACK ACHE

Use Dodd's Kidney Pills for prompt relief from the systemic condition causing the backache. Soon you feel better — rest better. Depend on Dodd's.

FINANCIAL STATEMENT

TO: THE POLICYHOLDERS OF PRINCE EDWARD ISLAND MUTUAL FIRE INSURANCE COMPANY

This is the report of the Directors of Prince Edward Island Mutual Fire Insurance Company for the year 1965.

The Eighty-Second year of this Company's life has been an exceptional year. The income of the Company both by way of premiums collected and interest collected surpasses all other years in the Company's history.

During the year your Directors, on behalf of the Company, have negotiated a First Surplus Fire Insurance Treaty through the office of Sterling Offices of Canada Limited. This treaty is a participating treaty and enables the Company to carry a total of Forty Thousand Dollars insurance on any set of buildings.

It is not the intention of the Directors to carry $40,000.00 insurance on one particular risk unless there are extenuating circumstances which make the risk desirable. Of this Forty Thousand all over Twenty Thousand would be ceded to this other Company who would then receive their share of the premium less costs and would also be liable for their proportionate share of the loss.

Your Directors have also given considerable attention and study with a view to insuring farm tractors and trailers against hazards similar to the insurance which is effected on automobiles and hope to be able to produce a contract which will be of value to the owners of farm tractors.

If we arrive at a reasonable contract with a reasonable premium rate we would endeavour to negotiate a First Surplus Farm Tractor Insurance Treaty which would include public liability up to, and not over, a certain amount together with the other four points of a policy of this nature.

The farm tractor liability policy would be similar to the First Surplus Fire Insurance Treaty.

If you will examine the Financial Statement, as certified by the Auditors, you will see that our net premium income was $290,063.59 for the year ending December 31st., 1965. This is an increase of approximately $20,500.00 when it is compared with the 1964 income.

Our total insurance carried amounts to $75,615,465.00 which is an increase of approximately $6,000,000.00 over last year.

Our insurance coverage continues to increase every year so also do our assets.

Approximately Sixty-Five per cent of the net premium income is derived from farming and fishing risks.

The net interest income amounted to $30,930.62.

The net losses which we incurred amounted to $166,222.02 which is a decrease of approximately $17,000.00 in comparison with the 1964 figure.

Last year the losses were approximately 61.9 per cent of the premium income. This year the loss percentage of the premium income is approximately 57.2 per cent so that we have a net excess of receipts over expenditures amounting to $60,719.27.

Our net premium income from insurance on farming and fishing risks for the year 1965 was $189,814.43. The balance is income from mercantile risks and income from insurance on dwellings, schools, churches, halls and other miscellaneous risks which are not considered farm risks.

Notwithstanding the high cost of materials and labour, your Directors did not deem it either desirable or necessary to increase the rate of premiums on fire insurance as has been done by some other Companies.

Your Directors wish to emphasise the fact that we are servicing the farmers of Prince Edward Island with insurance at less than cost and have been having a surplus each year. The surplus being derived from interest collections on sound investments of this Company.

The following is an analysis of the losses which we paid for the year 1965:

Rural Outbuildings	$ 64,427.02
Rural Dwellings	60,962.56
Potato Warehouses	10,036.00
Livestock and Crop	7,285.50
Urban Dwellings	5,250.67
Churches	5,215.23
Stores	4,658.41
Furniture	3,429.60
Fire Departments	3,150.00
Canteen	3,000.00
Meat Plant	1,811.56
Stock in Store	1,035.14
Camp Kitchen and Dining Hall	602.25
Tractors	558.45
Camp Dormitory	344.85
Machinery	215.08
Bank	176.37
Service Station	167.08
Mobile Home	129.18
Dry Cleaning	125.00
Hall	105.66
Fish House	100.00

the balance is miscellaneous less overestimated 1964 losses outstanding.

The following is an analysis of the causes of losses:

Unknown	$ 79,423.64
Defective Flue	10,949.77
Suspected Incendiarism	10,771.29
Spark from Grain Crusher	10,725.00
Defective Wiring & Short Circuit	9,516.13
Faulty, Flooded or Exploded Oil Stove	8,802.65
Lightning	5,953.27
Overheated Stovepipes & Flues	5,694.92
Supplemental (Wind etc.)	5,732.89
Furnace or Stove Exploded	4,210.00
Spark from Chimney	4,185.00
Fire Departments	3,150.00
Tractor Backfired in Barn	2,500.00
Children Playing with Matches	2,320.25
Faulty Salamander	2,000.00
Grass Fires	1,966.66
Faulty Smokehouse Equipment	1,811.56
Broken Light Bulb in Hay	1,800.00
Cigarette Butt	622.98
Defective Furnace	206.00
Spark from Burning Garbage	149.00
Lighting Fire with Gasoline or Kerosene	115.00
Hot Ashes	106.00
Adjustments	5,645.66

the balance is miscellaneous less overestimated 1964 losses outstanding.

Your Directors again note that a large percentage of the causes of the losses is stated by the insured as unknown and no indication is forthcoming as to the probable cause of the loss. In many cases it is thought that the probable cause of the loss is known but not divulged. If the probable cause of the loss was divulged they would be classified and a solution might be worked out which would probably eliminate or reduce that particular cause and thus be a great saving both to the insured and the insurer.

Some persons still persist in lighting fires in their stoves with gasoline or kerosene which is a very bad practise.

The percentage of the security reserve of the insurance liability has been stable and is approximately .92 of 1%. This figure has not varied to any extent for some time.

According to the requirements of the Insurance Act our minimum reserve would be $230,000.00, therefore you, the Policyholders, can rest assured that the financial Strength of the Company is in excellent condition.

This year the expense percentage of the income is 12.6 per cent compared with 14.9 per cent last year and 13.7 per cent in 1963.

This year the commission percentage of the premium income is 14.8 per cent compared with 12.98 per cent last year.

Your Directors are pleased to report there were no losses incurred during the year in connection with insurance on tobacco.

The losses which previously occurred were caused chiefly by faulty equipment, and in some cases, the lack of proper equipment and knowledge of curing, processing, and storing of tobacco after it has been reaped.

We think that in growing and processing tobacco the operators of the kilns should continue to make themselves more familiar with the safety requirements so that losses will be prevented or reduced to a minimum.

During the year the Company has continued, with a minimum of expense to make strides in the right direction by increasing its services to the people and always remembering that the security of the policyholders is of paramount importance.

If you will examine the Balance Sheet of the Company you will see that the book value of the Bonds exceeds the actual market value of the Bonds. In our opinion, there is no cause for uneasiness, because in the foreseeable future your Directors do not see any reason which would require us to liquidate these Bonds.

Your Directors trust the current year will be another successful year and will again demonstrate the benefit of the cooperative principal which underlies the system of Mutual Insurance.

Respectfully submitted this Twenty-Fifth day of January A. D. 1966.

ERIC LOWTHER
ALBERT LINKLETTER
T. L. LINKLETTER
Committee on Behalf of Directors.

PRINCE EDWARD ISLAND MUTUAL FIRE INSURANCE COMPANY

STATEMENT OF INCOME AND EXPENSES

For the year Ended December 31st, 1965

INCOME		
Net Premiums	$ 290,064	
Net Interest	30,931	
Net Office Rentals	$10	
Profit on disposal of investments		$ 321,305

EXPENSES		
Agents' Commissions	$ 47,621	
Losses incurred	166,222	
Inspection costs	696	
Administrative Expenses	44,491	
Depreciation on Building and Office Equipment	1,615	$ 260,585
SURPLUS FOR THE YEAR		$ 60,720

BALANCE SHEET as at December 31st, 1965

ASSETS		
Cash on hand and in bank	$ 20,821	
Notes receivable for cash premiums	2,062	$ 22,883
Deposit Receipts — Canadian Imperial Bank of Commerce	125,000	
Dominion, Provincial and Municipal Bonds, at cost (approximately Market value $282,959)	313,440	
Mortgages and other securities	193,917	
Accrued Interest on securities	1,170	633,527
Real Estate, at cost less depreciation		45,632
		$ 702,042

LIABILITIES		
Outstanding cheques	$ 5,319	
Manager's Account	500	
Agents' Accounts	390	
Provision for unpaid loss claims	2,797	$ 9,006
NET ASSETS		
Balance, December 31, 1964	634,534	
Add: Surplus for the year	60,720	
	695,254	
Deduct: Net investment in office equipment	2,218	693,036
		$ 702,042

AUDITOR'S REPORT

We have audited the records of the Prince Edward Island Mutual Fire Insurance Company for the year ended December 31, 1965, and verified the cash and bank balances and securities.

As all insurance is on the premium note plan, a reserve for unearned premiums, as described in Section 69 (4) of the Insurance Act, is not required to be segregated from the Company's general reserve.

We have examined the reserve for unpaid claims, and in our opinion it is adequate.

We have verified the balance owing by policy-holders on notes for cash premiums.

After deducting the net investment in office equipment, as shown above, the Balance Sheet does not include as assets items prohibited by the Insurance Act from being shown in the annual statements required to be filed thereunder.

By virtue of Section 62 (1) (s) of the Income Tax Act, it has been determined that the Company is not liable for income taxes, since more than 50% of its premium income was in respect of the insurance of farming and fishing risks.

Subject to the foregoing comments, in our opinion, and according to the best of our information and the explanations given us, the foregoing Balance Sheet sets forth fairly the true state of affairs of Prince Edward Island Mutual Fire Insurance Company as at December 31, 1965. All transactions of the Company that have come within our notice have been within its power.

Charlottetown, P. E. I.
January 14, 1966.

H. R. Doane and Company
Chartered Accountants.

INSURANCE AGENTS

Errol Stetson, O'Leary
Alice Gallant, Wellington
Herbert Craig,
150 Belmont Street, Summerside
Clifford Simpson, Stanley Bridge
M. R. MacLean, North Wiltshire
Alexander J. Robertson,
111 Grafton Street, Charlottetown
James I. MacKay,
111 Grafton Street, Charlottetown

DIRECTORS

Eric Lowther, Crapaud — President
Albert Linkletter, Linkletter — Vice-President
T. Leland Linkletter, Summerside, — Secretary-Treasurer
Gregor MacCallum, Brackley Beach
Chessel Annear, Montague
J. B. Edwin Reid, Rollo Bay
Ralph Johnstone, Long River
E. W. Johnstone, Burlington
Herbert Leavitt, Alberton