

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C.

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended September 30, 1997      Commission File Number: 0-9341

SECURITY NATIONAL FINANCIAL CORPORATION  
Exact Name of Registrant.

UTAH

87-0345941

-----  
(State or other jurisdiction  
of incorporation or organization)

-----  
IRS Identification Number

5300 South 360 West, Salt Lake City, Utah

84123

-----  
(Address of principal executive offices)

-----  
(Zip Code)

Registrant's telephone number, including Area Code      (801) 264-1060

Indicate by check mark whether the registrant (1) has filed  
all reports required to be filed by Section 13 or 15(d) of the  
Securities Exchange Act of 1934 during the preceding 12 months  
(or for such shorter period that the registrant was required  
to file such reports), and (2) has been subject to such filing  
requirements for the past 90 days.

YES         NO     

Indicate the number of shares outstanding of each of the  
issuer's classes of common stock, as of the latest practicable  
date.

Class A Common Stock, \$2.00 par value      3,480,541

-----  
Title of Class

-----  
Number of Shares  
Outstanding as of  
September 30, 1997

Class C Common Stock, \$.20 par value

4,910,641

-----  
Title of Class

-----  
Number of Shares  
Outstanding as of  
September 30, 1997

SECURITY NATIONAL FINANCIAL CORPORATION AND SUBSIDIARIES  
FORM 10Q

QUARTER ENDED SEPTEMBER 30, 1997

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SECURITY NATIONAL FINANCIAL CORPORATION  
AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF EARNINGS

	Nine Months Ended September 30, 1997	1996
	(Unaudited)	(Unaudited)
	-----	-----
REVENUE:		
Insurance premiums and other considerations	\$ 4,532,608	\$ 4,396,863
Net investment income	5,165,284	5,637,041
Net mortuary and cemetery sales	7,019,648	6,067,639
Realized gains (losses) on investments and other assets	254,170	(30,733)
Mortgage fee income	4,148,672	6,334,488
Other	28,182	59,173
	-----	-----
Total Revenue	\$21,148,564	\$22,464,471
BENEFITS AND EXPENSES:		
Death benefits	\$1,704,951	\$ 1,429,782
Surrenders and other policy benefits	987,117	1,268,653
Increase in future policy benefits	2,132,961	1,955,188
Amortization of deferred policy acquisition costs and cost of insurance acquired	1,033,053	954,116
General and administrative expenses:		
Commissions	3,462,737	4,394,742
Salaries	3,733,669	3,635,914
Other	4,293,988	5,143,323
Interest expense	798,358	1,114,437
Cost of goods and services sold of the mortuaries and cemeteries	2,101,222	1,759,660
	-----	-----
Total benefits and expenses	\$20,248,056	\$21,655,815
	-----	-----
Earnings before income taxes	\$ 900,508	\$ 808,656
Income tax expense	(208,184)	(226,764)
	-----	-----
Net earnings	\$ 692,324	\$ 581,892
	=====	=====
Earnings per share	\$0.17	\$0.15
	=====	=====
Weighted average outstanding common shares	4,021,920	3,835,326
	=====	=====

See accompanying notes to consolidated financial statements.

SECURITY NATIONAL FINANCIAL CORPORATION  
AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF EARNINGS

	Three Months Ended September 30, 1997 (Unaudited)	1996 (Unaudited)
	-----	-----
REVENUE:		
Insurance premiums and other considerations	\$ 1,549,314	\$ 1,424,778
Net investment income	1,699,216	1,771,852
Net mortuary and cemetery sales	2,246,972	1,772,697
Realized gains (losses) on investments and other assets	(15,405)	(4,709)
Mortgage fee income	1,260,725	1,852,784
Other	5,972	16,216
	-----	-----
Total Revenue	\$ 6,746,794	\$ 6,833,618
BENEFITS AND EXPENSES:		
Death benefits	\$ 493,843	\$ 407,623
Surrenders and other policy benefits	212,508	460,436
Increase in future policy benefits	834,897	508,719
Amortization of deferred policy acquisition costs and cost of insurance acquired	393,698	308,994
General and administrative expenses:		
Commissions	1,064,957	1,389,742
Salaries	1,298,302	1,233,124
Other	1,344,620	1,469,616
Interest expense	260,507	350,805
Cost of goods and services sold of the mortuaries and cemeteries	650,124	559,355
	-----	-----
Total benefits and expenses	\$ 6,553,456	\$ 6,688,414
	-----	-----
Earnings before income taxes	\$ 193,338	\$ 145,204
Income tax expense	(43,072)	(40,719)
	-----	-----
Net earnings	\$ 150,266	\$ 104,485
	=====	=====
Earnings per share	\$0.04	\$0.03
	=====	=====
Weighted average outstanding common shares	4,015,855	3,829,213
	=====	=====

See accompanying notes to consolidated financial statements.

SECURITY NATIONAL FINANCIAL CORPORATION  
AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS

	September 30, 1997 (Unaudited)	December 31, 1996
	-----	-----
Assets:		
Investments:		
Fixed maturity securities		
held to maturity,		
at amortized cost	\$48,172,792	\$47,934,684
Equity securities available		
for sale, at market	4,427,692	4,133,105
Mortgage loans on real estate	7,888,140	9,809,379
Real estate, net of		
accumulated depreciation	7,631,446	7,808,255
Policy loans	2,819,664	3,021,155
Other loans	127,445	218,437
Short-term investments	4,498,577	2,258,283
	-----	-----
Total insurance		
related investments	75,565,756	75,183,298
Restricted assets of cemeteries		
and mortuaries	3,792,636	3,454,622
Cash	2,797,141	3,301,084
Receivables:		
Trade contracts	4,496,522	4,514,010
Mortgage loans sold to		
investors	12,643,853	13,455,123
Receivable from agents	793,399	670,439
Other	317,067	292,680
	-----	-----
Total receivables	18,250,841	18,932,252
Allowance for doubtful		
accounts	(1,693,151)	(1,862,599)
	-----	-----
Net receivables	16,557,690	17,069,653
Land and improvements held		
for sale	8,481,609	8,456,302
Accrued investment income	1,019,801	1,040,242
Deferred policy acquisition		
costs	4,179,672	4,277,560
Property, plant and equipment,		
net	6,395,654	6,513,980
Cost of insurance acquired	3,509,364	3,748,654
Excess of cost over net assets		
of acquired subsidiaries	1,330,106	1,370,708
Other	614,283	293,400
	-----	-----
Total Assets	\$124,243,712	\$124,709,503
	=====	=====

See accompanying notes to consolidated financial statements.

SECURITY NATIONAL FINANCIAL CORPORATION  
AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS (Continued)

	September 30, 1997 (Unaudited)	December 31, 1996
	-----	-----
<b>Liabilities:</b>		
Future life, annuity, and other policy benefits	\$77,517,422	\$76,962,062
Line of credit for financing of mortgage loans	-0-	1,211,890
Bank loans payable	6,137,731	6,768,119
Notes and contracts payable	3,560,246	4,509,921
Estimated future costs of pre-need sales	6,186,657	5,874,387
Payable to endowment care fund	141,347	70,617
Accounts payable	1,255,435	1,199,920
Other liabilities and accrued expenses	1,974,383	1,902,046
Income taxes	2,949,309	2,742,513
	-----	-----
Total Liabilities	99,722,530	101,241,475
<b>Stockholders' Equity:</b>		
Common stock:		
Class A: \$2 par value, authorized 10,000,000 shares, issued 4,109,106 shares in 1997 and 4,110,709 shares in 1996	8,218,212	8,221,418
Class C: \$0.20 par value, authorized 7,500,000 shares, issued 4,964,181 shares in 1997 and 4,967,072 shares in 1996	992,836	993,413
	-----	-----
Total common stock	9,211,048	9,214,831
Additional paid-in capital	8,675,386	8,675,386
Unrealized appreciation of investments	659,693	259,915
Retained earnings	7,814,636	7,118,528
Treasury stock at cost (628,565 Class A shares and 53,540 Class C shares in 1997; 631,576 Class A shares and 53,540 Class C shares in 1996, held by affiliated companies)	(1,839,581)	(1,800,632)
	-----	-----
Total Stockholders' Equity	24,521,182	23,468,028
	-----	-----
Total Liabilities and Stockholders' Equity	\$124,243,712	\$124,709,503
	=====	=====

See accompanying notes to consolidated financial statements.

SECURITY NATIONAL FINANCIAL CORPORATION  
AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30, 1997 (Unaudited) -----	1996 (Unaudited) -----
Cash flows from operating activities:		
Net earnings	\$692,324	\$581,892
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Realized (gains) losses on investments and other assets	(254,171)	24,574
Depreciation	590,517	940,854
Provision for losses on accounts and loans receivable	(169,447)	(298,604)
Amortization of goodwill, premiums, and discounts	9,396	6,002
Income taxes	206,796	226,593
Policy acquisition costs deferred	(695,875)	(613,967)
Policy acquisition costs amortized	793,763	762,016
Cost of insurance acquired amortized	239,290	192,100
Change in assets and liabilities net of effects from purchases and disposals of subsidiaries:		
Land and improvements held for sale	(25,307)	(790,897)
Future life and other benefits	1,875,664	1,574,734
Receivables for mortgage loans sold	811,270	9,758,847
Other operating assets and liabilities	80,550	1,287,061
	-----	-----
Net cash provided by operating activities	4,154,770	13,651,205
Cash flows from investing activities:		
Securities held to maturity:		
Purchase of fixed maturity securities	(6,412,063)	(1,496,514)
Calls and maturities - fixed maturity securities	6,232,281	4,510,053
Securities available for sale:		
Purchases - equity securities	(169,605)	(9,531)
Proceeds from sales of equity securities	501,847	161,295
Purchases of short-term investments	(3,951,926)	(6,283,205)
Sales of short-term investments	1,711,632	3,327,880
Purchases of restricted assets	(338,014)	(368,904)
Mortgage, policy, and other loans made	(362,837)	(3,698,291)
Payments received for mortgage, policy, and other loans	2,576,559	1,034,627
Purchases of property, plant, and equipment	(249,237)	(752,881)
Purchases of real estate	(46,145)	(90,515)
	-----	-----
Net cash used in investing activities	(507,508)	(3,665,986)

SECURITY NATIONAL FINANCIAL CORPORATION  
AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

	Nine Months Ended September 30, 1997	September 30, 1996
	(Unaudited)	(Unaudited)
	-----	-----
Cash flows from financing activities:		
Annuity receipts	1,911,600	2,171,786
Annuity withdrawals	(3,231,904)	(3,650,348)
Repayment of bank loans and notes and contracts payable	(1,580,063)	(1,064,467)
Proceeds from borrowings on bank loans and notes and contracts payable	-0-	42,489
Purchase of treasury stock	(38,948)	-0-
Net decrease in line of credit for financing of mortgage loans	(1,211,890)	(12,262,083)
	-----	-----
Net cash used in financing activities	(4,151,205)	(14,762,623)
	-----	-----
Net change in cash	(503,943)	(4,777,404)
Cash at beginning of period	3,301,084	7,712,155
	-----	-----
Cash at end of period	\$ 2,797,141	\$ 2,932,751
	=====	=====

See accompanying notes to consolidated financial statements.



SECURITY NATIONAL FINANCIAL CORPORATION AND SUBSIDIARIES  
Notes to Consolidated Financial Statements  
September 30, 1997 and 1996  
(Unaudited)

1. Basis of Presentation  
-----

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine months ended September 30, 1997, are not necessarily indicative of the results that may be expected for the year ending December 31, 1997. For further information, refer to the consolidated financial statements and footnotes thereto for the year ended December 31, 1996, included in the Company's Annual Report on Form 10-K (file number 0-9341). Reclassification to certain 1996 balances have been made to conform with the 1997 presentation.

MANAGEMENT'S DISCUSSION AND ANALYSIS  
Results of Operations

Overview

The Company's operations over the last several years generally reflect three trends or events which the Company expects to continue: (i) increased attention to "niche" insurance products, such as the Company's funeral plan policies, annuities, and limited pay accident policies; (ii) emphasis on high margin cemetery and mortuary business; and (iii) capitalizing on the strong economy in the intermountain west by originating and refinancing mortgage loans.

Three Months Ended September 30, 1997 as Compared to Three Months Ended September 30, 1996

Total revenues decreased by \$87,000, or 1.3%, to \$6,747,000 for the three months ended September 30, 1997, from \$6,834,000 for the three months ended September 30, 1996. Contributing to this reduction in total revenues was a \$73,000 decrease in net investment income and a \$592,000 decrease in mortgage fee income. These decreases were partially offset by a \$125,000 increase in insurance premiums and other considerations, and a \$474,000 increase in net mortuary and cemetery sales.

Insurance premiums and other considerations increased by \$125,000, or 8.7% to \$1,549,000 for the three months ended September 30, 1997, from \$1,425,000 for the comparable period in 1996. This increase was primarily due to an increase in policies in force from new business.

Net investment income decreased by \$73,000, or 4.1%, to \$1,699,000 for the three months ended September 30, 1997, from \$1,772,000 for the comparable period in 1996. This reduction was attributable to the Company maintaining larger short term investment balances and warehousing fewer mortgage loans during the third quarter of 1997.

Net mortuary and cemetery sales increased by \$474,000, or 26.8%, to \$2,247,000 for the three months ended September 30, 1997, from \$1,773,000 for the comparable period in 1996. This increase was primarily related to additional sales from the opening of Singing Hills Memorial Park Cemetery in San Diego, California during the third quarter of 1996 and from the acquisition of Crystal Rose Funeral Home in February 1997. Sales of cemetery and mortuary products also increased at the Company's other cemeteries and mortuaries.

Mortgage fee income decreased by \$592,000, or 32.0%, to \$1,261,000 for the three months ended September 30, 1997, from \$1,853,000 for the comparable period in 1996. This reduction was primarily attributable to fewer loan originations during the third quarter of 1997 as a result of a general reduction in the total number of mortgage loans made in the Utah market and an increase in the number of competitors in the market place.

Total benefits and expenses were \$6,553,000, or 97.1% of total revenues for the three months ended September 30, 1997, as compared to \$6,688,000, or 97.9% of total revenues for the three months ended September 30, 1996.

Death benefits, surrenders and other policy benefits and increase in future policy benefits increased by \$164,000, or 12.0%, to \$1,541,000 for the three months ended September 30, 1997, from \$1,377,000 for the comparable period in 1996. This increase was primarily the result of an increase in death claims and reserve increases due to more policies in force during the third quarter in 1997.

Amortization of deferred policy acquisition costs increased by \$85,000, or 27.4%, to \$394,000, for the three months ended September 30, 1997, from \$309,000 for the comparable period in 1996. This increase was expected since policies in force have increased from one year ago.

General and administrative expenses decreased by \$385,000, or 9.4%, to \$3,708,000 for the three months ended September 30, 1997, from \$4,092,000 for the comparable period in 1996. This reduction in general and administrative expenses primarily resulted from a decrease in commissions and other expenses due to fewer mortgage loan originations having been made by the Company's mortgage subsidiary.

Interest expense decreased by \$90,000, or 25.7%, to \$261,000 for the three months ended September 30, 1997, from \$351,000 for the comparable period in 1996. This decrease was primarily due to fewer mortgage loan originations by the Company's mortgage subsidiary.

Cost of goods and services sold of the mortuaries and cemeteries increased by \$91,000, or 16.2%, to \$650,000 for the three months ended September 30, 1997, from \$559,000 for the comparable period in 1996. This increase was consistent with the increase in net mortuary and cemetery sales.

Nine Months Ended September 30, 1997 as Compared to Nine Months Ended September 30, 1996

Total revenues decreased by \$1,316,000, or 5.9%, to \$21,149,000 for the nine months ended September 30, 1997, from \$22,464,000 for the nine months ended September 30, 1996. Contributing to this reduction in total revenues was a \$472,000 decrease in net investment income and a \$2,186,000

decrease in mortgage fee income. These decreases were partially offset by a \$952,000 increase in net mortuary and cemetery sales, and a \$136,000 increase in insurance premiums and other considerations, and a \$285,000 increase in realized gains in investments.

Insurance premiums and other considerations increased by \$136,000, or 3.1%, to \$4,533,000 for the nine months ended September 30, 1997, from \$4,397,000 for the comparable period in 1996. This increase was primarily due to an increase in policies in force.

Net investment income decreased by \$472,000, or 8.4%, to \$5,165,000 for the nine months ended September 30, 1997, from \$5,637,000 for the comparable period in 1996. This decrease was attributable to the Company maintaining larger short term investment balances and warehousing fewer mortgage loans during the first nine months of 1997.

Net mortuary and cemetery sales increased by \$952,000, or 15.7%, to \$7,020,000 for the nine months ended September 30, 1997, from \$6,068,000 for the comparable period in 1996. This increase was primarily related to additional sales from the opening of Singing Hills Memorial Park Cemetery in San Diego, California during the third quarter of 1996 and the acquisition of Crystal Rose Funeral Home in February 1997. Sales of cemetery and mortuary products also increased at the Company's other cemeteries and mortuaries.

Mortgage fee income decreased by \$2,186,000, or 34.5%, to \$4,149,000 for the nine months ended September 30, 1997, from \$6,334,000 for the comparable period in 1996. This reduction was primarily attributable to fewer loan originations during the first nine months of 1997 as a result of a general reduction in 1997 in the total number of mortgage loans in the Utah market and an increase in the number of competitors in the market place.

Realized gains on investments increased by \$285,000 to \$254,000 for the nine months ended September 30, 1997 from a loss of \$31,000 for the comparable period in 1996. This increase was the result of the sale of investments in securities for a net gain.

Total benefits and expenses were \$20,248,000, or 95.7% of total revenues for the nine months ended September 30, 1997, as compared to \$21,656,000, or 96.4% of total revenues for the nine months ended September 30, 1996.

Death benefits, surrenders and other policy benefits and increase in future policy benefits increased by \$171,000, or 3.7%, to \$4,825,000 for the nine months ended September 30, 1997, from \$4,654,000 for the comparable period in 1996. This increase was primarily the result of an increase in death claims and reserve increases due to more policies in force.

Amortization of deferred policy acquisition costs increased by \$79,000 or 8.3%, to \$1,033,000, for the nine months ended September 30, 1997, from \$954,000 for the comparable period in 1996. This increase was expected since policies in force have increased from one year ago.

General and administrative expenses decreased by \$1,684,000, or 12.8%, to \$11,490,000 for the nine months ended September 30, 1997, from \$13,174,000 for the comparable period in 1996. This reduction in general and administrative expenses primarily resulted from a decrease in commissions and other expenses due to fewer mortgage loan originations having been made by the Company's mortgage subsidiary.

Interest expense decreased by \$316,000, or 28.4%, to \$798,000 for the nine months ended September 30, 1997, from \$1,114,000 for the comparable period in 1996. This decrease was primarily due to fewer mortgage loan originations by the Company's mortgage subsidiary.

Cost of goods and services sold of the mortuaries and cemeteries increased by \$342,000, or 19.4%, to \$2,101,000 for the nine months ended September 30, 1997, from \$1,760,000 for the comparable period in 1996. This increase was consistent with the increase in net mortuary and cemetery sales.

#### Liquidity and Capital Resources

The Company's life insurance subsidiary and cemetery and mortuary subsidiaries realize cash flow from premiums, contract payments and sales on personal services rendered for cemetery and mortuary business, from interest and dividends on invested assets, and from the proceeds from the maturity of held-to-maturity investments, or sale of other investments. The mortgage subsidiary realizes cash flow from fees generated by originating and refinancing mortgage loans and interest earned on mortgages sold to investors. The Company considers these sources of cash flow to be adequate to fund future policyholder and cemetery and mortuary liabilities, which generally are long-term, and adequate to pay current policyholder claims, annuity payments, expenses on the issuance of new policies, the maintenance of existing policies, debt service, and to meet operating expenses.

The Company attempts to match the duration of invested assets with its policyholder and cemetery and mortuary liabilities. The Company may sell investments other than those held to maturity in the portfolio to help in this timing; however, to date, that has not been necessary. The Company purchases short-term investments on a temporary basis to meet the expectations of short-term requirements of the Company's products. The Company's investment philosophy is intended to provide a rate of return which will persist during the expected duration of policyholder and cemetery and mortuary liabilities regardless of future interest rate movements.

The Company's investment policy is to invest predominately in fixed maturity securities and warehouse mortgage loans on a short-term basis before selling the loans to investors in accordance with the requirements and laws governing the life insurance subsidiary. Bonds owned by the insurance subsidiary amounted to \$48,191,000 at amortized cost as of September 30, 1997 compared to \$47,906,000 at amortized cost as of December 31, 1996. This represents 63% of the total insurance related investments in 1997 as compared to 63% in 1996. Generally, all bonds owned by the life insurance subsidiary are rated by the National Association of Insurance Commissioners (NAIC). Under this rating system, there are six categories used for rating bonds. At September 30, 1997, 4.0% (\$1,952,000) and at December 31, 1996, 4.1% (\$1,994,000) of the Company's total investment in bonds were invested in bonds in rating categories three through six which are considered non-investment grade.

The Company intends to hold its fixed income securities, including high-yield securities, in its portfolio to maturity. Business conditions, however, may develop in the future which may indicate a need for a higher level of liquidity in the investment portfolio. In that event the Company believes it could sell short-term investment grade securities before liquidating high-yielding longer term securities.

The Company is subject to risk based capital guidelines established by statutory regulators requiring minimum capital levels based on the perceived risk of assets, liabilities, disintermediation, and business risk. At December 31, 1996 and 1995, the life subsidiary exceeded the regulatory criteria.

The Company's capitalization of stockholders' equity and long term debt was \$34,219,000 for the nine months ended September 30, 1997 as compared to \$34,388,000 for the nine months ended September 30, 1996. Stockholders' equity as a percent of capitalization increased to 71.7% for the nine months ended September 30, 1997 from 66.2% for the nine months ended September 30, 1996 and as a percent of assets increased to 19.7% from 18.0%, respectively.

Lapse rates measure the amount of insurance terminated during a particular period. The Company's lapse rate for life insurance for 1996 was 12% as compared to a rate of 10.5% for 1995. The 1997 lapse rate is approximately the same as 1996.

In February 1997, the Company purchased all of the outstanding shares of common stock of Crystal Rose Funeral Home, Inc., an Arizona based mortuary, for a total consideration of \$547,000. The purchase price included a note to the former owner in the amount of \$297,000.

At September 30, 1997, \$10,644,000 of the Company's consolidated stockholders' equity represents the statutory stockholders' equity of the Company's insurance subsidiary. The life insurance subsidiary cannot pay a dividend to its parent company without the approval of insurance regulatory authorities.

Part II Other Information:

Item 1. Legal Proceedings

NONE

Item 2. Changes in Securities

NONE

Item 3. Defaults Upon Senior Securities

NONE

Item 4. Submission of Matters to a Vote of Security Holders

On September 24, 1997, at the Company's annual meeting of shareholders, the shareholders elected George R. Quist, William C. Sargent, Scott M. Quist, Charles L. Crittenden, Sherman B. Lowe, H. Craig Moody, R.A.F. McCormick and Nathan H. Wagstaff to serve as directors of the Company until the next annual meeting of shareholders. The shareholders also ratified the appointment of Ernst & Young LLP as the independent accountants for the fiscal year 1997 by a vote of 6,756,263 shares for, 616 shares against, and 22,449 shares abstained.

Item 5. Other Information

NONE

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

27 Financial Data Schedule

(b) Reports on Form 8-K

The Company did not file any reports on Form 8-K for the three months ending September 30, 1997.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

REGISTRANT  
SECURITY NATIONAL FINANCIAL CORPORATION  
Registrant

DATED: November 14, 1997      By: George R. Quist,  
Chairman of the Board,  
President and Chief  
Executive Officer  
(Principal Executive  
Officer)

DATED: November 14, 1997      By: Scott M. Quist  
First Vice President,  
General Counsel and  
Treasurer (Principal  
Financial and Accounting  
Officer)

9-MOS

DEC-31-1996

SEP-30-1997

48,172,792

0

0

4,427,692

7,888,140

7,631,446

75,565,756

2,797,141

0

4,179,672

124,243,712

75,064,203

0

637,138

1,816,081

9,697,977

9,211,048

0

0

15,310,134

124,243,712

4,532,608

5,165,284

254,170

11,196,502

4,825,029

1,033,053

0

900,508

208,184

692,324

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692,324

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0