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 June 30, 2005 — 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 X NO

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

Title of Class	Number of Shares Outstanding as of June 30, 2005
Class A Common Stock, $2.00 par value	5,441,713
Class C Common Stock, $.20 par value	6,380,197

SECURITY NATIONAL FINANCIAL CORPORATION
AND SUBSIDIARIES

FORM 10-Q

QUARTER ENDED JUNE 30, 2005

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SECURITY NATIONAL FINANCIAL CORPORATION
AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)

	Six Months Ended June 30,		Three Months Ended June 30,	
Revenues:	2005	2004	2005	2004
Insurance premiums and other considerations	$13,892,729	$12,800,139	$6,712,209	$ 6,403,965
Net investment income	9,443,101	7,798,307	5,097,838	4,242,060
Net mortuary and cemetery sales	5,731,184	5,952,887	2,845,816	2,896,482
Realized gains on investments and other assets	23,314	5,323	(376)	--
Mortgage fee income	30,266,092	35,323,455	17,094,986	17,254,725
Other	310,320	430,186	93,583	240,148
Total revenues	59,666,740	62,310,297	31,844,056	31,037,380
Benefits and expenses:				
Death benefits	6,425,475	6,898,118	2,909,547	3,125,167
Surrenders and other policy benefits	822,877	771,173	353,510	291,334
Increase in future policy benefits	5,070,915	4,003,080	2,442,725	2,134,348
Amortization of deferred policy and pre-need acquisition costs and costs of insurance acquired	1,609,041	2,764,792	776,839	1,565,517
General and administrative expenses:				
Commissions	24,325,620	26,800,161	13,728,756	12,593,105
Salaries	7,748,483	7,307,930	3,935,749	3,726,286
Other 9,915,402	9,740,440	5,399,279	5,047,561	
Interest expense	1,669,121	1,059,566	1,027,433	694,243
Cost of goods and services sold of the mortuaries and cemeteries	1,114,956	1,137,344	567,116	539,812
Total benefits and expenses	58,701,890	60,482,604	31,140,954	29,717,373
Earnings before income taxes	964,850	1,827,693	703,102	1,320,007
Income tax expense	(133,467)	(525,872)	(151,627)	(397,754)
Minority interest	--	23,705	--	1,691
Net earnings	$ 831,383	$ 1,325,526	$ 551,475	$ 923,944
Net earnings per common share	$.14	$.23	$.09	$.16
Weighted average outstanding common shares	6,079,725	5,656,575	6,079,732	5,662,761
Net earnings per common share -assuming dilution	$.14	$.23	$.09	$.16
Weighted average outstanding common shares assuming-dilution	6,104,244	5,793,655	6,081,740	5,716,048

See accompanying notes to condensed consolidated financial statements.

SECURITY NATIONAL FINANCIAL CORPORATION
AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

Assets:	June 30, 2005	December 31, 2004
Insurance-related investments:		
Fixed maturity securities held to maturity, at amortized cost	$ 65,627,473	$69,984,761
Fixed maturity securities available for sale, at market	10,845,973	11,066,025
Equity securities available for sale, at market	4,054,597	4,166,769
Mortgage loans on real estate and construction loans, net of allowance for losses	72,844,399	65,831,586
Real estate, net of accumulated depreciation and allowances for losses	10,957,015	9,709,129
Policy, student and other loans	12,492,048	13,312,471
Short-term investments	4,884,120	4,628,999
Total insurance-related investments	181,705,625	178,699,740
Restricted assets of cemeteries and mortuaries	5,328,534	5,176,463
Cash	15,303,124	15,333,668
Receivables:		
Trade contracts	5,696,963	5,333,891
Mortgage loans sold to investors	44,825,218	47,167,150
Receivable from agents	1,447,273	1,416,211
Receivable from officers	--	1,540
Other	1,380,044	1,120,157
Total receivables	53,349,498	55,038,949
Allowance for doubtful accounts	(1,209,225)	(1,302,368)
Net receivables	52,140,273	53,736,581
Policyholder accounts on deposit with reinsure	6,627,800	6,689,422
Cemetery land and improvements held for sale	8,482,500	8,547,764
Accrued investment income	1,999,619	1,743,721
Deferred policy and pre-need contract acquisition costs	21,931,279	20,181,818
Property and equipment, net	10,652,498	10,520,665
Cost of insurance acquired	13,023,414	14,053,497
Excess of cost over net assets of acquired subsidiaries	683,191	683,191
Other	850,840	1,107,230
Total assets	$318,728,697	$316,473,760

See accompanying notes to condensed consolidated financial statements.

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

	June 30, 2005	December 31, 2004
Liabilities:		
Future life, annuity, and other policy benefits	$227,768,295	$224,529,539
Unearned premium reserve	2,699,308	2,254,991
Bank loans payable	9,569,523	10,442,106
Notes and contracts payable	2,448,296	2,888,539
Deferred pre-need cemetery and funeral contract revenues	10,837,851	10,762,357
Accounts payable	1,217,583	1,064,269
Funds held under reinsurance treaties	1,155,864	1,184,463
Other liabilities and accrued expenses	9,036,066	6,371,343
Income taxes	11,625,627	11,497,967
Total liabilities	276,358,413	270,995,574
Commitments and contingencies	--	--
Minority interest	--	3,813,346
Stockholders' Equity:		
Common stock:		
Class A: $2 par value, authorized 10,000,000 shares, issued 6,756,788 shares in 2005 and 6,755,870 shares in 2004	13,513,576	13,511,740
Class C: convertible, $0.20 par value, authorized 7,500,000 shares, issued 6,459,300 shares in 2005 and 6,468,199 shares in 2004	1,291,860	1,293,641
Total common stock	14,805,436	14,805,381
Additional paid-in capital	14,922,882	14,922,851
Accumulated other comprehensive (loss) and other items, net of deferred taxes	(137,299)	(11,352)
Retained earnings	16,196,564	15,365,259
Treasury stock at cost (1,315,075 Class A shares and 79,103 Class C shares in 2005; 1,315,075 Class A shares and 79,103 Class C shares in 2004, held by affiliated companies)	(3,417,299)	(3,417,299)
Total stockholders' equity	42,370,284	41,664,840
Total liabilities and stockholders' equity	$318,728,697	$316,473,760

See accompanying notes to condensed consolidated financial statements.

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

	Six Months Ended June 30, 2005	2004
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	$9,009,802	$46,943,004
Cash flows from investing activities:		
Securities held to maturity:		
Purchase - fixed maturity securities	(2,482,355)	(29,806,585)
Calls and maturities - fixed maturity securities	6,741,875	5,653,378
Securities available for sale:		
Sales - equity securities	(7,009)	655,000
Purchases of short-term investments	(9,439,274)	(20,986,578)
Sales of short-term investments	9,184,153	18,296,490
Purchases of restricted assets	(113,859)	(179,822)
Mortgage, policy, and other loans made	(39,974,165)	(37,985,756)
Payments received for mortgage, policy, and other loans	33,568,539	18,547,403
Purchases of property and equipment	(1,025,081)	(620,589)
Purchases of real estate	(2,787,026)	(1,655,862)
Cash paid for purchase of subsidiary	--	(304,042)
Sale of real estate	1,352,071	232,444
Net cash (used in) provided by investing activities	(4,982,131)	(48,154,519)
Cash flows from financing activities:		
Annuity and pre-need contract receipts	2,895,516	2,655,402
Annuity and pre-need contract withdrawals	(4,834,366)	(5,245,367)
Repayment of bank loans and notes and contracts payable	(2,119,365)	(2,270,147)
Net cash used in financing activities	(4,058,215)	(4,860,112)
Net change in cash	(30,544)	(6,071,627)
Cash at beginning of period	15,333,668	19,704,358
Cash at end of period	$15,303,124	$13,632,731

See accompanying notes to condensed consolidated financial statements.

SECURITY NATIONAL FINANCIAL CORPORATION AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
June 30, 2005 (Unaudited)

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America 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 accounting principles generally accepted in the United States of America 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 three and six months ended June 30, 2005, are not necessarily indicative of the results that may be expected for the year ending December 31, 2005. For further information, refer to the consolidated financial statements and footnotes thereto for the year ended December 31, 2004 included in the Company's Annual Report on Form 10-K (file number 0-9341).

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The estimates susceptible to significant change are those used in determining the liability for future policy benefits and claims, those used in determining valuation allowances for mortgage loans on real estate, and those used in determining the estimated future costs for pre-need sales. Although some variability is inherent in these estimates, management believes the amounts provided are fairly stated in all material respects.

2. Comprehensive Income

For the six months ended June 30, 2005 and 2004, total comprehensive income amounted to $705,436 and $1,473,194, respectively.

For the three months ended June 30, 2005 and 2004, total comprehensive income amounted to $625,380 and $769,711, respectively.

3. Stock-Based Compensation

The Company accounts for stock-based compensation under the recognition and measurement principles of APB Opinion No. 25, Accounting for Stock Issued to Employees, and related interpretations. The Company has adopted SFAS No. 123, "Accounting for Stock-Based Compensation". In accordance with the provisions of SFAS 123, the Company has elected to continue to apply Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB Opinion No. 25"), and related interpretations in accounting for its stock option plans. In accordance with APB Opinion No. 25, no compensation cost has been recognized for these plans. Had compensation cost for these plans been determined based upon the fair value at the grant date consistent with the methodology prescribed under SFAS No. 123, net earnings for the six months ended June 30, 2005 and 2004 would have been reduced by the following:

	Six Months Ended June 30, 2005	2004
Net earnings as reported	$831,383	$1,325,526
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	--	--
Pro forma net earnings	$831,383	$1,325,526

	Six Months Ended June 30, 2005	2004
Net earnings per common share:		
Basic - as reported	$.14	$.22
Basic - pro forma	$.14	$.22
Diluted - as reported	$.14	$.22
Diluted - pro forma	$.14	$.22

4. Earnings Per Share

Basic earnings per share includes Class A and Class C shares, which are convertible on a 10-for-1 equivalent, to Class A common stock outstanding. The basic and diluted earnings per share amounts were calculated as follows:

	Six Months Ended June 30, 2005	2004
Numerator:		
Net income	$ 831,383	$1,325,526
Denominator:		
Denominator for basic earnings per share-weighted-average shares	6,079,732	5,656,575
Effect of dilutive securities:		
Employee stock options	23,971	135,496
Stock appreciation rights	541	1,584
Dilutive potential common shares	24,512	137,080
Denominator for diluted earnings per share-adjusted weighted-average shares and assumed conversions	6,104,244	5,793,655
Basic earnings per share	$.14	$.23
Diluted earnings per share	$.14	$.23

	Three Months Ended June 30, 2005	2004
Numerator:		
Net income	$ 551,475	$ 923,944
Denominator:		
Denominator for basic earnings per share-weighted-average shares	6,079,725	5,662,761
Effect of dilutive securities:		
Employee stock options	1,714	52,007
Stock appreciation rights	301	1,280
Dilutive potential common shares	2,015	53,287
Denominator for diluted earnings per share-adjusted weighted-average shares and assumed conversions	6,081,740	5,716,048
Basic earnings per share	$.09	$.16
Diluted earnings per share	$.09	$.16

5. Business Segment

	Life Insurance	Cemetery/ Mortuary	Mortgage	Reconciling Items	Consolidated
For the Six Months Ended June 30, 2005					
Revenues from external customers	$ 19,578,539	$ 6,333,917	$33,754,284	$ --	$ 59,666,740
Intersegment revenues	2,422,236	38,335	163,040	(2,623,611)	--
Segment profit (loss) before income taxes	1,336,145	421,887	(793,182)	--	964,850
Identifiable assets	306,689,139	48,786,278	15,123,942	(51,870,626)	318,728,697
For the Six Months Ended June 30, 2004					
Revenues from external customers	$ 17,066,002	$ 6,456,006	$38,788,289	$ --	$ 62,310,297
Intersegment revenues	4,149,885	--	122,084	(4,271,969)	--
Segment profit (loss) before income taxes	1,025,684	522,895	279,114	--	1,827,693
Identifiable assets	305,703,959	45,689,540	18,995,687	(51,073,824)	319,315,362
For the Three Months Ended June 30, 2005					
Revenues from external customers	$ 9,522,023	$ 3,140,844	$19,181,189	$ --	$ 31,844,056
Intersegment revenues	1,173,478	15,334	83,639	(1,272,451)	--
Segment profit (loss) before income taxes	698,306	67,689	(62,893)	--	703,102
For the Three Months Ended June 30, 2004					
Revenues from external customers	$ 8,708,779	$ 3,229,620	$19,098,981	$ --	$ 31,037,380
Intersegment revenues	1,776,872	--	64,780	(1,841,652)	--
Segment profit (loss) before income taxes	592,481	175,146	552,380	--	1,320,007

6. Merger Transaction

Effective January 1, 2005, Security National Life and SSLIC Holding Company, a wholly owned subsidiary of Security National Life, completed a merger transaction with Southern Security Life Insurance Company. Under the terms of the merger and pursuant to the Agreement and Plan of Reorganization, dated August 25, 2004, among Security National Life, SSLIC Holding Company and Southern Security Life Insurance Company, including the amendment thereto dated December 27, 2004, SSLIC Holding Company was merged with and into Southern Security Life Insurance Company, which resulted in (i) Southern Security Life Insurance Company becoming a wholly-owned subsidiary of Security National Life Insurance Company, and (ii) the unaffiliated stockholders of Southern Security Life Insurance Company, holding an aggregate of 490,816 shares of common stock, or 23.3% of the outstanding shares, becoming entitled to receive $3.84 in cash for each issued and outstanding share of their common stock of Southern Security Life Insurance Company, or an aggregate of $1,884,733.

As a result of the merger, the separate existence of SSLIC Holding Company ceased as Southern Security Life Insurance Company became the surviving corporation of the merger. Southern Security Life Insurance Company continues to be governed by the laws of the State of Florida, and its separate corporate existence continues unaffected by the merger. In addition, as a result of the merger, Security National Life owns all of the issued and outstanding common shares of Southern Security Life Insurance Company. Security National Financial Corporation, through its affiliates, Security National Life Insurance Company and SSLIC Holding Company, owned 76.7% of the Company's outstanding common shares prior to the merger.

The minority shareholders interest in assets and liabilities were recorded at book value. Due to the purchase price of the minority shares being less than book value, there was a gain of $1,678,463. This gain was used to reduce the Deferred Acquisition Costs by $1,187,044 and Cost of Insurance Acquired by $491,419. Proforma disclosure information, as though the business combination has been completed as of January 1, 2004, has not been included because the change would not have been material.

The purpose of the merger is to terminate the registration of the common stock of Southern Security Life Insurance Company under the Securities Exchange Act of 1934 (by reducing the number of its stockholders of record to fewer than 300 stockholders) and the Nasdaq listing of the common stock, reduce expenses associated with such registration and listing, and provide the stockholders an opportunity to sell their shares in an illiquid trading market without incurring brokerage commissions. As a result of becoming a non-reporting company, Southern Security Life Insurance Company is no longer required to file periodic reports with the SEC, including among other things, annual reports on Form 10-K and quarterly reports on Form 10-Q, and is no longer subject to the SEC's proxy rules. In addition, its common stock is no longer eligible for trading on the Nasdaq SmallCap Market.

7. Recent Accounting Pronouncements

In January 2003, the Financial Accounting Standards Board (FASB) issued Interpretation No. 46, "Consolidation of Variable Interest Entities, an Interpretation of ARB No. 51", and subsequently issued a revision to this Interpretation in December 2003. This Interpretation addresses the consolidation by business enterprises of variable interest entities as defined in the Interpretation. The Interpretation applies to those variable interest entities considered to be special-purpose entities no later than December 31, 2003. The Interpretation must also be applied to all other variable interest entities no later than March 31, 2005. The adoption of Interpretation No. 46 did not have a material impact on the Company's financial position or results of operations.

In December 2004, FASB revised SFAS 123 to Share-Based Payment ("SFAS 123(R)"). SFAS 123(R) provides additional guidance on determining whether certain financial instruments awarded in share-based payment transactions are liabilities. SFAS 123(R) also requires that the cost of all share-based transactions be recorded in the financial statements. The revised pronouncement must be adopted by the Company by January 1, 2006. Implementation of SFAS 123(R) will not have a significant impact on the Company's consolidated financial statements in the period of implementation. However, any future stock options granted could have a significant impact on the Company's consolidated financial statements.

8. Other Business Activities

The Company has determined that a marketing employee of Security National Life Insurance Company has embezzled a total of $258,637 from the Company. The Company's audit committee is in the process of conducting a formal investigation of the matter and advised the Company's Board of Directors and registered public independent accountants of the embezzlement. Management is in the process of attempting to recover a portion of the embezzled funds. The Company has fidelity bond coverage with a $50,000 deductible, but there can be no assurance that the Company will be successful in obtaining any recovery of the embezzled funds from the insurer. The Company has accrued a liability of $200,000 in order to properly reflect the loss that may occur as a result of this matter.

The City of Phoenix has commenced condemnation proceedings, in order to construct a light rail facility on the Camelback Funeral Home property. The condemnation has resulted in the cessation of funeral operations at Camelback on January 1, 2005. The land ($289,289) and building ($390,480) are being carried at December 31, 2004 book value pending finalization of the purchase contract and sale price, of which the City of Phoenix has placed $1,200,000 in escrow.

9. Subsequent Event

On July 22, 2005, the Company entered into a letter of intent with Memorial Insurance Company of America ("Memorial Insurance Company"), an Arkansas domiciled insurance company, to purchase all of the outstanding shares of common stock of Memorial Insurance Company. Under the terms of the letter of intent, the stockholders of Memorial Insurance Company are to receive $13,500,000 in consideration for all of the outstanding common shares of Memorial Insurance Company, with each stockholder to receive a prorata share of the total amount of the purchase consideration. The stockholders are to receive a total $13,500,000 for their shares by means of capital distributions, stock purchase, stock buyback, or similar transactions, with the Company simultaneously contributing sufficient capital and surplus to Memorial Insurance Company to maintain its status as an admitted insurer in good standing in the state of Arkansas.

As of December 31, 2004, Memorial Insurance Company had 100,170 policies in force and 50 agents. For the year ended December 31, 2004, Memorial Insurance Company had revenues of $4,893,000 and net income of $2,158,000. As of December 31, 2004, the statutory assets and the capital and surplus of Memorial Insurance Company were $45,048,000 and $12,303,000, respectfully.

Contemporaneously with the completion of the transaction with the stockholders of Memorial Insurance Company, the letter of intent requires Memorial Insurance Company to coinsure substantially all of its business to the Company. The coinsurance agreement is required to have terms standard in the industry for such agreements, and is to include a tri-party collateral provision regarding the assets funding the reserves. The parties to the coinsurance agreement are to consist of the Company, Memorial Insurance Company and the Arkansas Insurance Department. Any future insurance business by Memorial Insurance Company will be covered by this coinsurance agreement.

Additionally, Memorial Insurance Company agrees in the letter of intent to make its marketing sales personnel available to the Company for hire. Moreover, the Company agrees to maintain the corporate offices of Memorial Insurance Company at its current location. The Company anticipates completing the transaction no later than October 30, 2005.

The obligations of the Company and Memorial Insurance Company to complete the transaction are contingent upon satisfaction of the following conditions: (i) a complete and satisfactory review by the Company of the books, records and business of Memorial Insurance Company, with such review to be completed by August 12, 2005; (ii) execution and delivery of a definitive agreement between the Company and Memorial Insurance Company; (iii) approval and adoption of the letter of intent by the Board of Directors of the Company and Memorial Insurance Company; and (iv) approval of the transaction by any regulatory authorities having jurisdiction over the Company and Memorial Insurance Company, including the insurance departments of the states of Arkansas and Utah.

Item 2. Management's Discussion and Analysis of Financial Condition and 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 and traditional whole-life products; (ii) emphasis on cemetery and mortuary business; and (iii) capitalizing on historically lower interest rates by originating and refinancing mortgage loans.

During the six months ended June 30, 2005, Security National Mortgage Company ("SNMC") experienced a decrease in revenue and expenses due to the decrease in loan volume of its operations. SNMC is a mortgage lender incorporated under the laws of the State of Utah. SNMC is approved and regulated by the Federal Housing Administration (FHA), a department of the U.S. Department of Housing and Urban Development (HUD), to originate mortgage loans that qualify for government insurance in the event of default by the borrower. SNMC obtains loans primarily from independent brokers and correspondents. SNMC funds the loans from internal cash flows and lines of credit from financial institutions. SNMC receives fees from the borrowers and other secondary fee from third party investors who purchase the loans from SNMC. SNMC primarily sells all of its loans to third party investors and does not retain servicing to these loans. SNMC pays the brokers and correspondents a commission for loans that are brokered through SNMC. SNMC originated and sold 5,766 ($904,478,000) and 6,551 ($1,016,000,000) loans, respectively, for the six months ended June 30, 2005 and 2004.

Results of Operations

Six Months Ended June 30, 2005 Compared to Six Months Ended June 30, 2004

Total revenues decreased by $2,643,000, or 4.2%, to $59,667,000 for the six months ended June 30, 2005, from $62,310,000 for the six months ended June 30, 2004. Contributing to this decrease in total revenues was a $5,057,000 decrease in mortgage fee income and a $221,000 decrease in net mortuary sales.

Insurance premiums and other considerations increased by $1,093,000, or 8.5%, to $13,893,000 for the six months ended June 30, 2005, from $12,800,000 for the comparable period in 2004. This increase was primarily due to the additional insurance premiums realized from new insurance sales.

Net investment income increased by $1,645,000, or 21.1%, to $9,443,000 for the six months ended June 30, 2005, from $7,798,000 for the comparable period in 2004. This increase was primarily attributable to additional borrower interest income from increased long-term bond purchases and mortgage loans over the comparable period in 2004.

Net mortuary and cemetery sales decreased by $222,000, or 3.7%, to $5,731,000 for the six months ended June 30, 2005, from $5,953,000 for the comparable period in 2004. This reduction in at-need mortuary sales was primarily due to the loss of sales from the Camelback Funeral Home, as a result of the City of Phoenix having commenced condemnation proceedings in order to construct a light rail facility on the Camelback Funeral Home property.

Mortgage fee income decreased by $5,057,000, or 14.3%, to $30,266,000 for the six months ended June 30, 2005, from $35,323,000 for the comparable period in 2004. This decrease was primarily attributable to a decrease in the number of loan originations during the first six months of 2005 due to an increase in interest rates, which resulted in the refinancing of fewer mortgage loans.

Total benefits and expenses were $58,702,000, or 98.4% of total revenues for the six months ended June 30, 2005, as compared to $60,483,000 or 97.1% of total revenues for the comparable period in 2004. The lower margin in 2005 was due to fixed expenses, which did not decrease proportionally with the reduction in revenues.

Death benefits, surrenders and other policy benefits, and increase in future policy benefits increased by an aggregate of $647,000, or 5.5%, to $12,319,000 for the six months ended June 30, 2005, from $11,672,000, for the comparable period in 2004. This increase was primarily the result of an increase in reserves for policyholders.

Amortization of deferred policy and pre-need acquisition costs and costs of insurance acquired decreased by $1,156,000, or 41.8%, to $1,609,000 for the six months ended June 30, 2005, from $2,765,000, for the comparable period in 2004. This increase was primarily due to recognition of improvement in persistency.

General and administrative expenses decreased by $1,859,000, or 4.2%, to $41,990,000 for the six months ended June 30, 2005, from $43,849,000, for the comparable period in 2004. This decrease primarily resulted from a decrease in commissions due to fewer mortgage loan originations having been made by SecurityNational Mortgage Company during the six months of 2005.

Interest expense increased by $610,000, or 57.6%, to $1,669,000 for the six months ended June 30, 2005, from $1,059,000, for the comparable period in 2004. This increase was primarily due to the increased use of warehouse lines of credit required for the funding of loans by SecurityNational Mortgage Company.

Cost of goods and services sold of the mortuaries and cemeteries decreased by $22,000, or 1.9%, to $1,115,000, for the six months ended June 30, 2005, from $1,137,000 for the comparable period in 2004. This reduction in at-need mortuary cost of goods and services sold was primarily due to the loss of sales from the Camelback Funeral Home, as a result of the City of Phoenix having commenced condemnation proceedings in order to construct a light rail facility on the Camelback Funeral Home property.

Second Quarter of 2005 Compared to Second Quarter of 2004

Total revenues increased by $807,000, or 2.6% to $31,844,000 for the three months ended June 30, 2005, from $31,037,000 for the three months ended June 30, 2004. Contributing to this increase in total revenues was an increase of $856,000 in investment income and an increase of $308,000 in insurance premiums and other considerations.

Insurance premiums and other considerations increased by $308,000, or 4.8%, to $6,712,000 for the three months ended June 30, 2005, from $6,404,000 for the comparable period in 2004. This increase was primarily due to the additional insurance premiums that were realized on new insurance sales.

Net investment income increased by $856,000, or 20.2%, to $5,098,000 for the three months ended June 30, 2005, from $4,242,000 for the comparable period in 2004. This increase was primarily attributable to additional borrower interest income from increased long-term bond purchases and mortgage loans over the comparable period in 2004.

Net mortuary and cemetery sales decreased by $51,000, or 1.8%, to $2,846,000 for the three months ended June 30, 2005, from $2,897,000 for the comparable period in 2004. This reduction in at-need mortuary sales was primarily due to the loss of sales from the Camelback Funeral Home as a result of the City of Phoenix having commenced condemnation proceedings in order to construct a light rail facility on the Camelback Funeral Home property.

Mortgage fee income decreased by $160,000, or 14.3%, to $17,095,000 for the three months ended June 30, 2005, from $17,255,000 for the comparable period in 2004. This decrease was primarily attributable to a decrease in the number of loan originations during the second quarter of 2005 due to an increase in interest rates, which resulted in the refinancing of fewer mortgage loans.

Total benefits and expenses were $31,141,000, or 97.8% of total revenues for the three months ended June 30 2005, as compared to $29,717,000, or 95.7% of total revenues for the comparable period in 2004. The lower margin in 2005 was due to fixed expenses, which did not decrease proportionally with the reduction in revenues.

Death benefits, surrenders and other policy benefits, and increase in future policy benefits decreased by an aggregate of $155,000, or 2.8%, to $5,706,000 for the three months ended June 30, 2005, from $5,551,000 for the comparable period in 2004. This increase was primarily the result of a decrease in reserves for policyholders.

Amortization of deferred policy acquisition costs and costs of insurance acquired decreased by $789,000, or 50.4%, to $777,000 for the three months ended June 30, 2005, from $1,566,000 for the comparable period in 2004. This decrease was primarily due to recognition of improvements in persistency.

General and administrative expenses increased by $1,697,000, or 7.9%, to $23,064,000 for the three months ended June 30, 2005, from $21,367,000 for the comparable period in 2004. This increase primarily resulted from an increase in commissions due to increased insurance sales during the second quarter of 2005.

Interest expense increased by $333,000, or 48.0%, to $1,027,000 for the three months ended June 30, 2005, from $694,000 for the comparable period in 2004. This increase was primarily due to the increased use of warehouse lines of credit required for the funding of loans by SecurityNational Mortgage Company.

Cost of goods and services sold of the mortuaries and cemeteries increased by $27,000, or 5.0%, to $567,000 for the three months ended June 30, 2005, from $540,000 for the comparable period in 2004. This increase in at-need mortuary sales was primarily due to increased cost of markers and bases offset by the loss of sales from the Camelback Funeral Home as a result of the City of Phoenix having commenced condemnation proceedings in order to construct a light rail facility on the Camelback Funeral Home property.

Liquidity and Capital Resources

The Company's life insurance subsidiaries 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 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 predominantly in fixed maturity securities, mortgage loans, and the warehousing of mortgage loans on a short-term basis before selling the loans to investors in accordance with the requirements and laws governing the life insurance subsidiaries. Bonds owned by the life insurance subsidiaries amounted to $76,473,000 as of June 30, 2005, compared to $81,051,000 as of December 31, 2004. This represents 42% and 45% of the total insurance-related investments as of June 30, 2005, and December 31, 2004, respectively. Generally, all bonds owned by the life insurance subsidiaries are rated by the National Association of Insurance Commissioners. Under this rating system, there are six categories used for rating bonds. At June 30, 2005 and December 31, 2004, 2% ($1,662,000) and 2% ($1,659,000) 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 has classified certain of its fixed income securities, including high-yield securities, in its portfolio as available for sale, with the remainder classified as held to maturity. However, in accordance with Company policy, any such securities purchased in the future will be classified as held 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 higher-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 June 30, 2005, and December 31, 2004, the life insurance subsidiary exceeded the regulatory criteria.

The Company's total capitalization of stockholders' equity and bank debt and notes payable was $54,388,000 as of June 30, 2005, as compared to $54,995,000 as of December 31, 2004. Stockholders' equity as a percent of capitalization increased to 78% as of June 30, 2005, from 76% as of December 31, 2004.

Lapse rates measure the amount of insurance terminated during a particular period. The Company's lapse rate for life insurance in 2004 was 9.0% as compared to a rate of 8.6 % for 2003. The 2005 lapse rate to date has been approximately the same as 2004.

At June 30, 2005, $27,811,000 of the Company's consolidated stockholders' equity represents the statutory stockholders' equity of the Company's life insurance subsidiaries. The life insurance subsidiaries cannot pay a dividend to its parent company without the approval of insurance regulatory authorities.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

There have been no significant changes since the annual report Form 10-K filed for the year ended December 31, 2004.

Item 4. Controls and Procedures

a) Evaluation of disclosure controls and procedures

Under the supervision and with the participation of our management, including principal executive officer and principal financial officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as of June 30, 2005. Based on this evaluation, our principal executive officer and our principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective and adequately designed to ensure that the information required to be disclosed by us in the reports we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms. b) Changes in internal controls over financial reporting

During the quarter ended June 30, 2005, there has been no change in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II Other Information:

Item 1. Legal Proceedings

An action was brought against the Company in May 2001 by Glenna Brown Thomas, individually and as personal representative of the Estate of Lynn W. Brown, in the Third Judicial Court, Salt Lake County, Utah. The action asserts that Memorial Estates, Inc. delivered to Lynn W. Brown six stock certificates totaling 2,000 shares of its common stock in 1970 and 1971. Mr. Brown died in 1972. It is also asserted that at the time the 2,000 shares were issued and outstanding, the shares represented a 2% ownership of Memorial Estates. It is further alleged that Mr. Brown was entitled to preemptive rights and, after the issuance of the stock to Mr. Brown, there were further issuances of stock without providing written notice to Mr. Brown or his estate of his right to purchase more stock.

It is further asserted that Thomas has the right to the transfer of Brown's shares on the books of Security National Financial Corporation as well as Memorial Estates, and to the restoration of Brown's proportion of share ownership in Memorial Estates at the time of his death by issuance and delivery to Thomas of sufficient shares of the Company's publicly traded and unrestricted stock in exchange for the 2,000 shares of Memorial Estates stock, including payment of all dividends from the date of Thomas's demand. The formal discovery cutoff was January 15, 2004. The Company has been verbally informed that Thomas will dismiss the case but such dismissal has not been communicated in writing. Until the case is actually dismissed, the Company intends to vigorously defend the matter, including the assertion that the statute of limitations bars the claims in their entirety.

The Company received a letter dated November 9, 2004 on behalf of Charles Hood, who worked at Singing Hills Memorial Park in El Cajon, California. He was hired in April 2003 as a groundskeeper with his work concluding on October 30, 2003. Mr. Hood claims that he wrote a letter to the Company outlining his concerns regarding the operation of the cemetery and claims, as a result, that he was terminated. Even though he recognizes his relationship was as an at-will employee, Mr. Hood's claims against the Company include, but are not limited to, wrongful termination, violation of labor laws, whistleblower retaliation and infliction of emotional distress. The letter proposes a settlement in the amount of $275,000.

Item 1. Legal Proceedings (Continued)

Mr. Hood filed a complaint with the California Department of Fair Employment and Housing. Mr. Hood has or will have a right to sue letter but no litigation has commenced. The Company has been engaged in a review of the claims made in the letter. Based on its investigation, the Company believes that Mr. Hood voluntarily quit and was not terminated. Counsel for the Company and counsel for Mr. Hood have been in discussion concerning the matter. At this stage of the investigation, the Company does not believe there is any justification for the claims being made. If a resolution of the dispute is not achieved and litigation ensues, the Company is prepared to vigorously defend the action.

The Company also received a letter dated November 29, 2004 on behalf of Roger Gornichec, who the Company recognizes as having been an independent contractor. The attorney who wrote the letter on behalf of Mr. Hood also wrote the letter on behalf of Mr. Gornichec. Mr. Gornichec concluded his services as an agent selling insurance in the spring of 2003 and his license to sell cemetery plots was not renewed in the summer of 2004. Mr. Gornichec asserts that he was an employee contrary to the Company's position.

The claims made on behalf of Mr. Gornichec include, but are not limited to, wrongful termination in violation of public policy, misrepresentation, age discrimination, whistle-blower retaliation, interference with economic advantage, breach of contract, breach of the covenant of good faith and fair dealing, and infliction of emotional distress. Mr. Gornichec also claims that he is owed a certain amount from a retirement plan. The letter proposes a settlement in the amount of $420,000. Based on its investigation, the Company believes that Mr. Gornichec was an independent contractor, not an employee, and that the claims and the settlement amount sought are not justified. Mr. Gornichec also filed a complaint with the California Department of Fair Employment and Housing. He has obtained a right to sue letter but no litigation has commenced. If the matter is not resolved and litigation ensues, the Company is prepared to vigorously defend the action.

The Company is a defendant in various other legal actions arising from the normal conduct of business. Management believes that none of the actions will have a material effect on the Company's financial position or results of operations. Based on management's assessment and legal counsel's representations concerning the likelihood of unfavorable outcomes, no amounts have been accrued for the above claims in the consolidated financial statements.

Item 2. Changes in Securities and Use of Proceeds

NONE

Item 3. Defaults Upon Senior Securities

NONE

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

NONE

Item 5. Other Information

On July 22, 2005, the Company entered into a letter of intent with Memorial Insurance Company of America ("Memorial Insurance Company"), an Arkansas domiciled insurance company, to purchase all of the outstanding shares of common stock of Memorial Insurance Company. Under the terms of the letter of intent, the stockholders of Memorial Insurance Company are to receive $13,500,000 in consideration for all of the outstanding common shares of Memorial Insurance Company, with each stockholder to receive a prorata share of the total amount of the purchase consideration. The stockholders are to receive a total $13,500,000 for their shares by means of capital distributions, stock purchase, stock buyback, or similar transactions, with the Company simultaneously contributing sufficient capital and surplus to Memorial Insurance Company to maintain its status as an admitted insurer in good standing in the state of Arkansas.

As of December 31, 2004, Memorial Insurance Company had 100,170 policies in force and 50 agents. For the year ended December 31, 2004, Memorial Insurance Company had revenues of $4,893,000 and net income of $2,158,000. As of December 31, 2004, the statutory assets and the capital and surplus of Memorial Insurance Company were $45,048,000 and $12,303,000, respectfully.

Contemporaneously with the completion of the transaction with the stockholders of Memorial Insurance Company, the letter of intent requires Memorial Insurance Company to coinsure substantially all of its business to the Company. The coinsurance agreement is required to have terms standard in the industry for such agreements, and is to include a tri-party collateral provision regarding the assets funding the reserves. The parties to the coinsurance agreement are to consist of the Company, Memorial Insurance Company and the Arkansas Insurance Department. Any future insurance business by Memorial Insurance Company will be covered by this coinsurance agreement.

Additionally, Memorial Insurance Company agrees in the letter of intent to make its marketing sales personnel available to the Company for hire. Moreover, the Company agrees to maintain the corporate offices of Memorial Insurance Company at its current location. The Company anticipates completing the transaction no later than October 30, 2005.

The obligations of the Company and Memorial Insurance Company to complete the transaction are contingent upon satisfaction of the following conditions: (i) a complete and satisfactory review by the Company of the books, records and business of Memorial Insurance Company, with such review to be completed by August 12, 2005; (ii) execution and delivery of a definitive agreement between the Company and Memorial Insurance Company; (iii) approval and adoption of the letter of intent by the Board of Directors of the Company and Memorial Insurance Company; and (iv) approval of the transaction by any regulatory authorities having jurisdiction over the Company and Memorial Insurance Company, including the insurance departments of the states of Arkansas and Utah.

The Company has determined that a marketing employee of Security National Life Insurance Company has embezzled a total of $258,637 from the Company. The Company's audit committee is in the process of conducting a formal investigation of the matter and advised the Company's Board of Directors and registered public independent accountants of the embezzlement. Management is in the process of attempting to recover a portion of the embezzled funds. The Company has fidelity bond coverage with a $50,000 deductible, but there can be no assurance that the Company will be successful in obtaining any recovery of the embezzled funds from the insurer.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

3.1. Articles of Restatement of Articles of Incorporation (7)
3.2. Amended Bylaws (10)
4.1. Specimen Class A Stock Certificate (1) 4.2. Specimen Class C Stock Certificate (1)
4.3 Specimen Preferred Stock Certificate and Certificate of Designation of Preferred Stock (1)
10.1 Restated and Amended Employee Stock Ownership Plan and Trust Agreement (1)
10.2 1993 Stock Option Plan (3)
10.3 2000 Director Stock Option Plan (4)
10.4 2003 Stock Option Plan (9)
10.5 Deferred Compensation Agreement with George R. Quist (2)
10.6 Promissory Note with George R. Quist (5)
10.7 Deferred Compensation Plan (6)
10.8 Coinsurance Agreement between Security National Life and Acadian (7)
10.9 Assumption Agreement among Acadian, Acadian Financial Group, Inc., Security National Life and the Company (7)
10.10 Asset Purchase Agreement among Acadian, Acadian Financial Group, Inc., Security National Life and the Company (7)
10.11 Promissory Note with Key Bank of Utah (8
10.12 Loan and Security Agreement with Key Bank of Utah (8)
10.13 Stock Purchase and Sale Agreement with Ault Glazer & Co. Investment Management LLC (10)
10.14 Stock Purchase Agreement with Paramount Security Life Insurance Company (11)
10.15 Reinsurance Agreement between Security National Life Insurance Company and Guaranty Income Life Insurance Company (12)
10.16 Employment agreement with J. Lynn Beckstead, Jr. (12)
10.17 Employment agreement with Scott M. Quist
10.18 Agreement and Plan of Reorganization among Security National Life Insurance Company, SSLIC Holding Company, and Southern Security Life Insurance Company (14)
10.19 Agreement and Plan of Merger among Security National Life Insurance Company, SSLIC Holding Company, and Southern Security Life Insurance Company (15)
10.20 Agreement to repay indebtedness and to convey option with Monument Title, LC.\
10.21 Letter of Intent with Memorial Insurance Company of America (16)
22 Subsidiaries of the Registrant
31.1 Certification pursuant to 18 U.S.C. Section 1350 as enacted by Section 302 of the Sarbanes-Oxley Act of 2002
31.2 Certification pursuant to 18 U.S.C. Section 1350 as enacted by Section 302 of the Sarbanes-Oxley Act of 2002
32.1 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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(1) Incorporated by reference from Registration Statement on Form S-1, as filed on June 29, 1987
(2) Incorporated by reference from Annual Report on Form 10-K, as filed on March 31, 1989
(3) Incorporated by reference from Annual Report on Form 10-K, as filed on March 31, 1994

(4) Incorporated by reference from Schedule 14A Definitive Proxy Statement, filed August 29, 2000, relating to the Company's Annual Meeting of Shareholders
(5) Incorporated by reference from Annual Report on Form 10-K, as filed on April 16, 2001
(6) Incorporated by reference from Annual Report on Form 10-K, as filed on April 3, 2002
(7) Incorporated by reference from Report on Form 8-K-A as filed on January 8, 2003
(8) Incorporated by reference from Annual Report on Form 10-K, as filed on April 15, 2003
(9) Incorporated by reference from Schedule 14A Definitive Proxy Statement, Filed on June 5, 2003 relating to the Company's Annual Meeting of Shareholders
(10) Incorporated by reference from Report on Form 10-Q, as filed on November 14, 2003
(11) Incorporated by reference from Report on Form 8-K, as filed on March 30, 2004
(12) Incorporated by reference from Report on Form 10-K, as filed on March 30, 2004
(13) Incorporated by reference from Report on Form 10-Q, as filed on August 13, 2004
(14) Incorporated by reference from Report on Form 8-K, as filed on August 30, 2004
(15) Incorporated by reference from Report on Form 10-K, as filed on April 15, 2005
(16) Incorporated by reference from Report on Form 8-K, as filed on August 11, 2005

Subsidiaries of the Registrant

(b) Reports on Form 8-K:

Incorporated by reference from Report on Form 8-K, as filed on May 3, 2005
Incorporated by reference from Report on Form 8-K, as filed on May 25, 2005

Incorporated by reference from Report on Form 8-K, as filed on June 1, 2005

Incorporated by reference from Report on Form 8-K/A, as filed on June 7, 2005

Incorporated by reference from Report on Form 8-K/A, as filed on June 22, 2005

SIGNATURES

Pursuant to the requirements of the Securities 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: August 15, 2005 By: George R. Quist,

Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

DATED: August 15, 2005 By: Stephen M. Sill

Vice President, Treasurer and Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 31.1

CERTIFICATION PURSUANT TO
18 U.S.C. ss. 1350,
AS ENACTED BY
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, George R. Quist, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Security National Financial Corporation.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15-d-15(e)) for the registrant to have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period covered in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 15, 2005

By: George R. Quist
Chairman of the Board and
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
18 U.S.C. ss. 1350,
AS ENACED BY
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Stephen M. Sill, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Security National Financial Corporation.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15-d-15(e)) for the registrant to have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period covered in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 15, 2005

By: Stephen M. Sill
Vice President, Treasurer and
Chief Financial Officer

EXHIBIT 32.1
CERTIFICATION PURSUANT TO
18 U.S.C. ss. 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Security National Financial Corporation (the "Company") on Form 10-Q for the period ending June 30, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, George R. Quist, Chairman of the Board and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 15, 2005

By: George R. Quist
Chairman of the Board and
Chief Executive Officer

EXHIBIT 32.2
CERTIFICATION PURSUANT TO
18 U.S.C. ss. 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Security National Financial Corporation (the "Company") on Form 10-Q for the period ending June 30, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen M. Sill, Vice President, Treasurer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 15, 2005

By: Stephen M. Sill
Vice President, Treasurer and
Chief Financial Officer