

THE UNION LIFE

Assurance Company.

FIRST ANNUAL REPORT

The First Annual Report of the Directors of the Union Life Assurance Company, with Audited Financial Statement, as presented to the Shareholders at the First General Meeting, on Monday, the 13th inst., as given below:—

Your Directors beg to submit the First Annual Statement up to December 31st, 1902.

The Company received its license from the Superintendent of Insurance on July 15th, 1902, and at once commenced business. The operations referred to below, therefore, cover a period of five and one-half months.

From that date to December 31st the Company secured 13,790 Policy-holders, insuring the gross sum of \$2,031,493.19.

At the close of the year there were on the Company's books 10,367 Policies, amounting to \$1,522,389.20.

The Total Receipts from premiums, interest and all other sources, not including the paid-up capital, amounted to \$85,011.99.

The Total Expenditures for Death Claims, Surrender Values, Taxes, Agency Expenses, and all other Disbursements, amounted to \$73,951.31, leaving a balance of Income over Expenditure of \$11,060.68.

The Interest Earnings of the Company exceeded 5 per cent. on the assets, a showing which may be regarded as satisfactory for a new Company.

The Assets amount to \$118,475.00, and after deducting the Reinsurance Reserve, and all other Liabilities, including the paid-up Capital Stock, the net surplus shown is \$9,069.56, a fact to which the Directors refer with pleasure.

It might here be stated that the Company transacts wholly, both in the Industrial and General Branches, a non-participating class of Insurance, no estimates or like inducements being held out to prospective applicants. The premiums are as low as a proper regard for a margin of safety and profit will permit. The Company is the only one in Canada transacting business on a purely stock premium basis.

Large expenditures were made during the year on Agency Account, and the same will be necessary this year; but your Directors regard with satisfaction the substantial progress which has been made; recognizing that to properly establish an Industrial Insurance Company, in a reasonable length of time, requires a large initial investment, principally in building up an efficient agency plant, without which even a fair measure of success cannot be hoped for; and while we are prepared to expect no diminution in respect of expenditures during the current year, your Directors look forward with confidence to a commensurate increase in new business over that of 1902.

The amount of Insurance taken by the Company last year was nearly double that secured during the first year's business of any other Company organized in Canada during the past fifteen years, and we have reason to expect as favorable results during 1903.

Respectfully submitted,

H. POLLMAN EVANS, PRESIDENT.

Toronto, April 13th, 1903.

General Financial Statement TO DECEMBER 31st, 1902.

RECEIPTS AND EXPENDITURE		BALANCE SHEET	
RECEIPTS:—		ASSETS:—	
Cash received for Premiums, Interest and all other Receipts.....	\$85,011 99	Bonds and Debentures held by the Company (deposited with the Receiver-General, \$54,653.43) ...	\$65,253 43
	<u>\$85,011 99</u>	Cash on hand and in Banks	38,730 37
EXPENDITURES:—		All other Assets	14,491 20
Cash paid out for Death Claims, Surrender Values, Taxes, Agency Expenses, and all other Disbursements	\$73,951 31		<u>\$118,475 00</u>
	<u>\$73,951 31</u>	LIABILITIES:—	
Balance of Receipts	11,060 68	Reinsurance Reserve and all other Liabilities	\$ 9,405 44
	<u>\$85,011 99</u>	Net Surplus to Policy-holders	109,069 56
			<u>\$118,475 00</u>
		CAPITAL STOCK SUBSCRIBED	\$1,000,000 00
		CAPITAL STOCK PAID UP	\$100,000 00

All the Shareholders of the Company were represented, either in person or by proxy.

The following Board of Directors and Officers were re-elected for the ensuing year:—

H. Pollman Evans, President; Harry Symons, K.C., 1st Vice-President; Charles Percy, Montreal, 2nd Vice-President; F. G. Hughes, L.D.S., Galt, 3rd Vice-President; G. E. Millichamp, M.D., Medical Director; Lieutenant-Colonel G. E. Allen Jones and A. E. Vallerand, Quebec.

All the members of the Maritime Board were reappointed—Messrs. John F. Stairs, J. J. Stewart, Alfred Putnam, E. G. Smith, James E. DeWolf, Dr. M. A. Curry, Halifax, N.S.; Harvey Graham, New Glasgow, N.S.

Mr. Geo. Clay, Chartered Accountant, was reappointed Auditor.