

The Federal Life Assurance Company

OF CANADA

DIRECTORS' REPORT FOR 1913

The Directors have pleasure in reporting that every department of the Company's business for the year ending 31st December, 1913, showed satisfactory advances.

ASSURANCES: The applications for new Assurances amounted to **\$5,530,864**, exceeding the preceding record year by **\$507,226**.

The new Assurances issued and revived amounted to **\$5,352,767**, making the total Assurances in force at the end of the year **\$27,578,182.88**.

INCOME: The net cash income from Premiums and Interest amounted to **\$1,245,140.50**, exceeding that of 1912 by **\$98,998.23**.

ASSETS: The total assets at the end of the year amounted to **\$5,400,944.30**, being an increase during the year of **\$513,327.35**.

The average rate of interest earned on the invested funds showed a substantial increase over the preceding year and now totals 6.13 per cent.

RESERVES: The reserves for Policyholders' protection now amount to **\$4,847,066.00**, having been increased during the year by **\$440,936.00**.

EARNINGS AND SURPLUS: The Company's earnings during the year amounted to **\$182,839.11**, being over 63 per cent. increase on the earnings of 1912. After payment of profits and dividends and the writing off of **\$51,516.24** for depreciation of securities during 1913 the surplus was increased by **\$88,744.95**, making the total fund held for Policyholders' protection over and above all liabilities at the end of the year **\$485,104.90**.

The deduction from reserves allowable under the Insurance Act was not taken advantage of. Had this been done the total surplus funds for Policyholders' protection would have amounted to **\$581,026.90**.

EXPENDITURES: The payments to Policyholders during the year amounted to **\$410,100.50**.

The actual general expenditure of the Company was less than in either 1912 or 1911, despite a large increase in business in force and in new business written. The percentage of General Expenses to Premium Income showed a decrease over 2.2 per cent.

PROGRESS: The following table of results for the last three years illustrates the steady progress being made:—

	1911	1912	1913
Insurance in force December 31st.....	\$23,887,141	\$25,553,267	\$27,578,183
Insurance issued and revived.....	4,656,265	4,819,129	5,352,767
Income from Premiums and Interest.....	1,034,437	1,146,142	1,245,141
Reserve for Protection of Policyholders.....	4,046,326	4,406,130	4,847,066
Assets.....	4,446,968	4,887,617	5,400,944

The Directors desire to express their appreciation of the efficient services rendered by the Head Office and Field Staffs and of the splendid results accomplished by them during the past year.

M. H. AIKINS, President.

BALANCE SHEET, 1913

ASSETS.

First Mortgages on Real Estate.....	\$1,808,240.27
Bonds and Debentures.....	1,763,338.67
Stocks.....	41,430.00
Real Estate.....	320,000.00
Loans on Bonds and Stocks.....	214,020.87
Loans on Policies.....	781,522.71
Cash on Hand and in Banks.....	181,112.31
Office Furniture.....	6,652.49
Net Premiums deferred, in course of collection (Reserve thereon included in Liabilities).....	197,356.21
Interest and Rents due and accrued.....	87,270.77

Total Assets..... **\$5,400,944.30**

LIABILITIES.

Net Reinsurance Reserve.....	\$4,847,066.00
Present Value Instalment Claims.....	10,595.00
Death and Endowment Claims not yet paid.....	31,529.53
(Including all Claims, whether formally approved or not.)	
Taxes accrued and Office Expenses due...	16,579.00
Declared Profits to Policyholders.....	2,260.00
Surrender Values Claimable.....	574.00
Other Liabilities.....	7,235.87

Total Liabilities..... **\$4,915,839.40**

Excess of Assets over Liabilities..... **\$485,104.90**

Total Surplus over Liabilities and Paid-up Capital..... **\$355,104.90**