

THE LONDON LIFE

INSURANCE COMPANY

Head Office - - - - London, Canada

Annual Report for 1913 shows Best Year in all Departments

New Business Written, Gain in Business in Force and Increase in Surplus Largest in Company's History.

Increase in Rate of Interest Earned. Decrease in Rate of Mortality, Expense and Lapse.

Profits to Policyholders One-third Greater than Estimates.

SYNOPSIS OF FINANCIAL STATEMENT

REVENUE ACCOUNT

RECEIPTS.	DISBURSEMENTS.
Premiums, "Industrial and Ordinary" . . . \$1,034,816.77	Paid Policyholders or Heirs . . . \$ 321,250.62
Interest on Investments 261,023.88	All other Disbursements 416,687.66
	Balance to Investment Account 557,902.37
\$1,295,840.65	\$1,295,840.65

BALANCE SHEET.

ASSETS.	LIABILITIES.
Mortgages, Debentures and Stocks . . . \$4,037,283.73	Reserve on Policies in Force \$4,226,152.00
Loans on Policies and other Invested Assets 369,673.81	Accumulating and Accruing Profits . . . 94,255.00
Outstanding and Deferred Premiums . . . 119,675.90	Special Reserve and other Liabilities . . . 99,177.50
Interest Due and Accrued 119,061.75	Surplus on Policyholders' Account . . . 226,110.69
\$4,645,695.19	\$4,645,695.19

This is to certify that I have made a full audit of the Books and Accounts of the London Life Insurance Company for the year 1913. Access to all books and papers has been freely given me.

All Journal Entries are of a proper character and all payments have been verified by vouchers therefor. The Securities have been examined and found complete and in good order. The Actuary has duly certified the Policy Reserve Liability.

The above Statement is a correct showing of the Company's business for 1913 and agrees with their books. London, January 28, 1914. JAMES McMILLAN, C.A., Auditor.

The Annual Report embraces the following particulars:

NEW BUSINESS	Applications for insurance amounting to \$8,828,189.50 were accepted and policies issued therefor, an increase over 1912 of \$622,119.50.
INSURANCE IN FORCE	The insurance in force on the Company's books at the close of the year aggregated, after deducting all re-insurances, \$27,118,375.02, an increase of \$3,853,554.19 for the year. The lapse rate for the year showed a considerable decrease and the surrender values applied for were actually less than in the previous year, notwithstanding the stringent financial conditions existing during 1913.
INCOME	The total Premium and Interest Receipts of the year were \$1,295,840.65, an increase over the previous year of \$161,367.92.
MORTALITY	The actual mortality loss was less than in the previous year, notwithstanding the large increase in business. The ratio under Ordinary policies of actual to expected loss during the year was only 32.8 per cent.—a remarkably favorable experience.
PROFITS	The exceedingly liberal scale adopted a year ago for apportionment of profits to participating Ordinary Policyholders has been continued and exceeds by one-third original estimates under present rates.
ASSETS AND INTEREST	The Company's assets, consisting mainly of first mortgages on Real Estate, amount to \$4,645,695.19, an increase of \$586,319.06. All debentures have been written down to the low market value prevailing at 31st December last. The rate of interest earned, without allowance for Head Office rental, was 6.81 per cent. on the Insurance Department's basis of computation.
LIABILITIES	Seventy-two per cent. of all the Company's business is now being valued on a 3 per cent. basis, the remaining twenty-eight per cent. being valued on a 3½ per cent. basis. The total reserve on all business in force amounts to \$4,226,152.00.
SURPLUS	Calculating the Liabilities on the basis called for by the Insurance Act, the Surplus on Policyholders' Account is \$608,556.31. Deducting from this the amount required to raise the reserves to the Company's own standard, to provide for profits earned under all participating policies to date of statement, and sums provided in various funds for special purposes, the net Surplus is \$226,110.69.

JOHN McCLARY, President.
J. G. RICHTER, Manager.
J. F. MAINE, Supervisor "Industrial" Agencies.

DR. A. O. JEFFERY, K.C., Vice-President.
E. E. REID, Asst. Manager and Actuary.
W. H. ROBINSON, Inspector, "Ordinary" Agencies.