

# THE London Life Insurance Company

Splendid Increases Shown in All Departments During 1912

Cash Income, \$1,134,472.73

Assets, \$4,059,376.13

Profits to Policyholders 30% in Excess of Estimates.

Reserve Standard for Company's Industrial Business Highest in use on Continent.

New Business Written and Amount of Insurance in Force show Large Gains.

## SYNOPSIS OF FINANCIAL STATEMENT REVENUE ACCOUNT

### RECEIPTS

Premiums—"Indust'l" and "Ord'y" .....	\$ 905,786 65
Interest on Investments .....	226,981 20
Other Receipts .....	1,704 88
	<u>\$1,134,472 73</u>

### DISBURSEMENTS

Paid Policyholders or Heirs .....	\$ 299,918 38
All other Disbursements .....	380,910 97
Balance to Investment Account ....	453,643 38
	<u>\$1,134,472 73</u>

## BALANCE SHEET

### ASSETS

Mortgages, Debentures and Stocks ...	\$3,588,636 25
Loans on Policies and other Invested Assets .....	268,709 10
Outstanding and Deferred Premiums..	94,402 95
Interest Due and Accrued .....	107,627 83
	<u>\$4,059,376 13</u>

### LIABILITIES

Reserve on Policies in Force .....	\$3,693,637 00
Accumulating and Accruing Profits..	69,220 00
Special Reserve and other Liabilities	95,144 87
Surplus on Policyholders' Account...	201,374 26
	<u>\$4,059,376 13</u>

I have audited the books and accounts of the London Life Insurance Company for the year 1912. All Journal entries are of a proper nature, all payments are verified by vouchers and all postings have been checked. The Policy Reserve Liability has been duly certified by the Actuary. The Securities have been examined and found in order.

The above statement is a correct abstract of the Company's business for 1912, and is in accordance with the books.

London, January 24th, 1913

JAMES McMILLAN, C.A., Auditor

The Annual Report embraces the following particulars:

**New Business**—Applications for insurance amounting to **\$8,206,070.00** were accepted and policies issued therefor, an increase over 1911 of **\$836,886.50**

**Insurance in Force**—The insurance in force on the Company's books at the close of the year aggregated, after deducting all re-insurances, **\$23,264,820.83**, an increase of **\$3,026,835.95** for the year.

**Profits**—The mortality rate has continued so favorable and the rate of interest earnings has improved so steadily that a material increase in the apportionment of profits to Policyholders has been authorized for 1913. The scale adopted exceeds estimates under present rates by fully 30%.

**Assets and Interest**—The Company's assets, consisting mainly of first mortgages on Real Estate, amount to **\$4,059,376.13**, an increase of **\$469,578.53**. All bonds, stocks and debentures are held at a valuation considerably below the prevailing market price. The rate of interest earned, without allowance for Head Office rental, was **6.74** per cent. on Insurance Department's basis of computation.

**Liabilities**—Sixty-six per cent. of all the Company's business is now being valued on a 3% basis, the remaining thirty-four per cent. being valued on a  $3\frac{1}{2}$ % basis. Business formerly valued on a 4% basis has this year been raised to the  $3\frac{1}{2}$ % standard. The total reserve on all business in force amounts to **\$3,693,637.00**. The total liabilities, including Special Funds and all profits due or accruing at credit of policies, amount to **\$3,858,001.87**

**Surplus**—Calculating the liabilities on basis called for by the Insurance Act, the Surplus on Policyholders' Account is **\$481,512.00**. Deducting from this the amount required to place the business on the Company's own standard of valuation and the sums provided in special funds for various purposes, the net surplus is **\$201,374.26**

JOHN McCLARY, President

DR. A. O. JEFFERY, K.C., Vice-President

J. G. RICHTER, Manager

E. E. REID, Assistant Manager and Actuary

J. F. MAINE, Supervisor, "Industrial" Agencies

W. H. ROBINSON, Inspector, "Ordinary" Agencies