

# NINETEENTH ANNUAL REPORT

## OF THE

# FEDERAL LIFE

## ASSURANCE COMPANY OF CANADA.

The nineteenth annual meeting of the shareholders of this Company was held at its head office in Hamilton on Thursday, the 7th inst. In the absence of the president, through illness, William Kerns, vice-president, was appointed chairman, and David Dexter, secretary.

### DIRECTORS' REPORT.

The directors presented their annual report, as follows:—  
Your directors have the honor to present the report and financial statement of the Company for the year which closed on Dec. 31, 1900, duly vouched for by the auditors.

The new business of the year consisted of 1,442 applications for insurance, aggregating \$2,094,735, of which 1,390 applications, for \$1,995,985, were accepted; applications for \$98,750 were rejected or held for further information.

As in previous years, the income of the Company shows a gratifying increase, and the assets of the Company have been increased by \$211,430.12, and have now reached \$1,271,340.92, exclusive of guarantee capital.

The security for policyholders, including guarantee capital, amounted at the close of the year to \$2,149,055.92, and the liabilities for reserves and all outstanding claims, \$1,123,738.07, showing a surplus of \$1,025,317.85. Exclusive of uncalled guarantee capital, the surplus to policyholders was \$147,602.85.

Policies on 65 lives became claims through death, to the amount of \$164,507.98, of which \$18,500 was re-insured in other companies.

Including cash dividends and dividends applied to the reduction of premiums, \$23,079.28, with annuities, \$2,929.56, the total payments to policyholders amounted to \$170,813.58.

Careful attention has been given to the investment of the Company's funds, largely on mortgage securities and loans on the Company's policies, amply secured by reserves. These investments have yielded results better than the average results of insurance companies doing business in Canada.

Expenses have been confined to a reasonable limit, consistent with due efforts for new business.

The field officers and agents of the Company are intelligent and loyal, and are entitled to much credit for their able representation of the Company's interests. The members of the office staff have also proved faithful in the Company's service.

Having decided to increase the guarantee or subscribed capital to \$10,000,000, the amount authorised by our act of incorporation, your directors issued on Nov. 12 last the balance of 3,000 shares, at a premium of 40 per cent. on the amount called. These shares were allotted to and taken by the existing shareholders. Though the call of \$13 per share was required only in bi-monthly instalments, the greater portion of it was paid before the close of the year.

The assurances carried by the Company now amount to \$12,176,282.20, upon which the Company holds reserves to the full amount required by law, and, in addition thereto, a considerable surplus, as above shown.

JAMES H. BEATTY, President.

DAVID DEXTER, Managing Director.

### AUDITORS' REPORT.

To the president and directors of the Federal Life Assurance Company:

Gentlemen: We have made a careful audit of the books of your Company for the year ending Dec. 31, 1900, and have certified to their correctness.

The securities have been inspected and compared with the ledger accounts and found to agree therewith.

The financial position of your Company, as on Dec. 31, is indicated by the accompanying statement.

Respectfully submitted,

H. S. STEPHENS,  
J. J. MASON,

Auditors.

Hamilton, March 1, 1901.

### FINANCIAL STATEMENT, 1900.

Premium income.....	\$ 413,794 76
Interest and rents.....	50,414 21
Capital stock.....	31,285 00
Premium on stock.....	15,600 00

**\$511,093 97**

Paid to policyholders for death claims, endowments, surrender values and profits....	\$ 170,813 58
Expenses, taxes, dividends and re-insurance premiums.....	146,552 35
Balance.....	193,728 04

**\$511,093 97**

<b>ASSETS, Dec. 31, 1900—</b>	
Debentures and bonds.....	\$ 117,752 59
Mortgages.....	626,464 83
Loans secured by policy reserves.....	237,314 09
Cash in bank and other assets.....	280,808 81

**\$1,271,340 92**

<b>LIABILITIES—</b>	
Reserve fund.....	\$ 1,073,902 67
Claims unadjusted.....	25,932 37
Present value of claims paid by instalments not due.....	13,889 95
Present value of dividends applied on temporary reductions of premiums.....	10,013 08
Surplus.....	147,602 85

**\$1,271,340 92**

Guarantee capital.....	\$ 877,715 00
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Surplus security.....	<b>\$2,149,055 92</b>
Policies were issued assuring.....	\$ 1,995,985 50
Total assurance in force.....	\$12,176,282 20

On motion of Mr. Kerns, seconded by T. H. Macpherson, the report was adopted.

The medical director, Dr. A. Woolverton, presented an interesting statistical report of the mortality of the Company for the past and previous years.

The retiring directors were re-elected, and at a subsequent meeting of the board James H. Beatty was re-elected president, Lieut.-Col. Kerns and T. H. Macpherson, vice-presidents.