

The Confederation Life Association.

TWENTY-FIRST ANNUAL REPORT.

The Twenty-first Annual Meeting of the Confederation Life Association was held on Tuesday, May 9th, at 3 o'clock in the afternoon, in the Board Room of the Company's new building in Toronto.

The Hon. Sir W. P. Howland, C.B., K.C.M.G., occupied the chair, and the Managing Director, Mr. J. K. Macdonald, was appointed secretary of the meeting. There was a large attendance of policyholders and shareholders of the Association, and the following Report and financial statements indicating another year of solid progress were submitted.

REPORT.

Your Directors beg to lay before the shareholders and policyholders their Report for the past year. In doing so they take the opportunity to express their gratification at the striking evidences of the growing popularity of the Association, shown by the large increase in new business. It should be borne in mind that the business obtained by this Association is drawn entirely from the healthy lives of our own Dominion, and has been secured without resorting to the far too common practice, on the part of some companies, of granting policies for nothing, or for only a small portion of the premium for the first year. Nor has it been obtained by insuring lives in climates and countries where the mortality experience must prove unfavorable and consequently injurious to the Canadian policyholders.

The question of extending the operations of the Association to points outside of Canada is one which may require more than a mere incidental consideration from your Board; and if at any time it should be decided to go outside, the operations will be restricted to countries where the mortality will not injuriously react upon our home policyholders. There is, however, very much to be said in favor of confining the business to Canada, and growing with its growth.

The new business is much the largest of any year in the history of the Association. There were 2,388 applications for \$3,815,050. Of these 2,258 for \$3,596,550, were approved, and the

balance declined or withdrawn. Adding to the new issue the revived policies of previous years and bonus additions, the total new business was 2,291 policies for \$3,672,591 of insurance.

The total insurance in force at the close of the year was \$22,565,752, under 14,674 policies on 12,914 lives.

The death claims which arose during the year aggregated the sum of \$173,751 under 105 policies on 86 lives. The mortality continues favorable, and the amount of the death claims conforms very closely to that of the previous year.

The financial statements herewith submitted exhibit fully the Company's position at the close of the year.

The audit has been made in a thorough, prompt and satisfactory manner. The report of the Auditors will be found following the financial statements.

The handsome head office building is now almost finished. The Association took possession of that part occupied for the business of the Company on October 11th, and the first meeting of the Board was held in the new Board room on the following day. The Association's offices are handsome, commodious and well lighted, and are in every way suited for its present and future business. A considerable portion has been rented, and very much more would have been but for the great and unlooked for delay in completing it. The western block will soon be ready, when it is anticipated satisfactory arrangements for renting will be made. Your Directors believe that already the Association has derived great benefit from the erection of our Head Office building, as there is no doubt it has had the effect of giving a feeling of increased security and its future as a paying investment is assured. The future of the city of Toronto is the best guarantee of the future of our building. Situated in the very centre of the city, the day is not far distant when the demand for the spacious, airy and well lighted renting spaces will yield a better return than the best investment of the Association.

Under the Act of Incorporation all the Directors retire, but are eligible for re-election.

W. P. HOWLAND,
President.

J. K. MACDONALD,
Managing Director.

FINANCIAL STATEMENT.

Net Ledger Assets, Dec. 31, 1891..... \$3,483,617 39

Receipts.

| | | |
|----------------------------------|---------------------|-----------------------|
| Premiums | \$716,048 24 | |
| Annuities..... | 5,411 75 | |
| | <u>\$721,459 99</u> | |
| Less Re-Assurance Premiums | 4,481 32 | 716,978 67 |
| Interest and Rents | \$172,903 68 | |
| Less Repairs and Taxes..... | 12,371 31 | |
| | <u>160,532 37</u> | |
| | | <u>\$4,361,128 43</u> |

Disbursements.

| | |
|---|--------------------------|
| Expenses (Salaries and Commissions, Agents, Doctors, Solicitors, etc.)..... | \$174,947 54 |
| Annuities (Life \$3,372.90), Temporary, \$26,621.59. | 29,994 49 |
| | <u>To Policyholders.</u> |
| Death claims | \$168,980 14 |
| Endowment claims..... | 17,737 00 |
| Surrendered Policies | 27,024 65 |
| Dividends (Cash and T. R's)..... | 65,789 15 |
| | <u>279,530 94</u> |
| Dividends to Stockholders and Civic Tax | 15,216 42 |
| Balance to New Account..... | 3,861,439 04 |
| | <u>\$4,361,128 43</u> |

BALANCE SHEET.

Assets.

| | |
|---|-----------------------|
| Mortgages | \$2,098,483 61 |
| Debentures..... | 461,984 57 |
| Real Estate | 914,473 70 |
| Loans on Stocks and Debentures | 57,592 79 |
| Government Stock and Deposit | 4,824 70 |
| Loans on Company's Policies..... | 327,662 69 |
| Fire Premiums due from Mortgageors..... | 4,490 51 |
| Furniture | 4,912 26 |
| Advances to Agents and Employees on Security of Salaries and Commissions and for Travelling Expenses..... | 4,340 77 |
| Sundry Current Accounts..... | 126 70 |
| Cash in Banks, \$16,590.60; at H.O., \$213.08..... | 16,803 68 |
| Outstanding Premiums..... | \$101,972 75 |
| Deferred Premiums..... | 34,747 43 |
| | <u>\$136,720 18</u> |
| Less 10 per cent. for collection..... | 13,672 00 |
| (Reserve thereon included in Liabilities) | |
| | <u>123,048 18</u> |
| Interest and Rents due and accrued | 96,425 41 |
| | <u>\$4,115,170 60</u> |

Liabilities.

| | |
|---|--|
| Assurance and annuity Funds | \$3,600,760 00 |
| Losses by death accrued (not adjusted)..... | 23,516 63 |
| Fees, Doctors' and Directors' | 7,474 00 |
| Capital Stock paid up..... | 100,000 00 |
| Dividends due January 1st, 1893..... | 7,500 00 |
| To Policyholders for Balance declared Profits (Cash and T. R's) | 48,239 82 |
| Current Accounts..... | 34,256 97 |
| Cash Surplus above all Liabilities | 293,423 18 |
| | <u>\$4,115,170 60</u> |
| Cash Surplus above all Liabilities..\$ | 293,423 18 |
| Capital Stock paid up as above.... | 100,000 00 |
| Capital Stock subscribed not called in | 900,000 00 |
| | <u>Total Surplus Security for Policyholders.....\$1,293,423 18</u> |

J. K. MACDONALD,
Managing Director.