

## STATEMENT OF RECEIPTS AND DISBURSEMENTS

## RECEIPTS.

Net ledger assets, Dec. 31, 1911 .....	\$ 834,712.86
Insurance premiums (less re-assurance) .....	129,197.73
Interest on mortgages, loans, bonds, etc. ....	51,341.04
Assumed mortgages .....	100.52
Other income .....	30.49

\$1,015,382.64

## DISBURSEMENTS.

Payments to policyholders, death claims, surrenders, etc. ....	\$ 24,507.16
Taxes and license fees .....	1,916.64
Salaries of head office, travelling expenses, Directors' fees, Auditors' fees, etc. ....	16,454.06
Commissions, salaries, and travelling expenses of agents .....	23,786.21
General and loaning expenses including advertising, legal expenses, medical fees, rent collection, postage, printing, stationery, etc. ....	17,643.43
Dividend No. 2 .....	12,599.70
Net ledger assets, December 31, 1912 .....	918,475.44

\$1,015,382.64

T. ALLEN, Secretary.

H. J. MEIKLEJOHN, Managing Director.

## AUDITORS' REPORT

We certify that we have examined the above Balance Sheet with the books and vouchers relating thereto. In our opinion such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Company. We have also examined the Securities held by the Company and the evidence of those deposited with the Dominion Government, and find them in order. The cash at Head Office has been verified by actual count, and the Bank Balance by certificate, and are in accordance with the figures as shown in the above Balance Sheet

WEBB, READ, HEGAN, CALLINGHAM & CO.,  
Chartered Accountants.

## REPORTS OF ACTUARY AND MEDICAL REFEREE

Gentlemen:—

The past year, in which the Company transferred its Head Office from Toronto to Winnipeg, has been appropriately signalized by the largest increase ever made in the Company's business, by the highest rate of interest earned on the Company's funds, and by a large profit arising from a favorable mortality expense.

The valuation of the Company's liabilities under its policy contracts was made upon the same basis as last year, namely Om (5) 3 per cent. Table for participating policies, and the Om (5) 3½ per cent. for non-participating policies. The net reserve amounted to \$582,842.00, which is an increase of \$77,355.00.

The Company earned 6.56 per cent. upon its invested assets. This splendid result has been achieved by the investment of a larger proportion of the Company's funds in first mortgages on real estate. The whole of the increase during 1912, of the invested assets was accounted for in this manner. The funds of a Life Insurance Company are particularly suited to this form of investment, as they are practically immune from large and sudden demands upon them. I have pointed out in previous reports that the difference between the interest earned and the rate assumed in the valuation, constitutes the main source of profit as the mortality is subject to wide fluctuations. It is therefore gratifying to see the Company is assured of a large annual profit from this source.

The mortality during 1912 was exceptionally favorable. The actual claims were only 25 per cent. of those expected by the Om (5) Table, which results in a profit of over \$20,000.00 from this source. This is equivalent to over \$5.00 per \$1,000.00 on all business in force at the end of the year.

During this year (1913) the first policies will mature under the deferred dividend plan. The results will no doubt be very satisfactory to these policyholders, who have ten year endowment policies, because the sum assured and dividend will practically amount to a return of all premiums paid with bank interest compounded annually from the time of first payment. These results will compare most favorably with the published results of the best Companies.

The Company is now in a strong financial condition, and in a position to command the confidence of the insuring public. Its policies are in every way modern and contain all privileges and conditions necessary for the protection of the policyholder.

In conclusion I wish to congratulate the Company on the splendid work done during the past year and to wish it continued prosperity.

S. H. PIPE, F.A.S., Actuary.

Gentlemen:—

It gives me much pleasure to submit for your consideration my first annual report on that part of the work which comes under my supervision—that of the Medical Department.

In examining the record of the Company, I cannot but congratulate all concerned on the very favorable character of what must always be an essential factor in the success of a Life Assurance Company, viz., the mortality rate, and the experience of this Company in this respect, since its organization has been most satisfactory, a fact of primary importance to the shareholders and policyholders, and one which bespeaks well-merited praise for the gentlemen who have preceded me as Medical Referees.

During the past year all possible care has been taken in an endeavor to safeguard the Company's interests in the selection of new risks and in the revival of lapsed policies. Vigilance has always been exercised in the appointment of examiners in the various localities where organization work has been in progress.

I have also much pleasure in acknowledging the very efficient assistance rendered me in my work by the Managing Director and all members of the Office staff during the year.

Respectfully submitted,

J. S. GRAY, Medical Referee.

## BOARD OF DIRECTORS FOR 1913

R. R. SCOTT  
D. R. DINGWALL  
LENDRUM McMEANS, K.C.  
WM. GRAYSON, K.C.JOHN McCLELLAND  
R. G. MacDONALD  
W. SANFORD EVANS  
WILLIAM RUSSELLE. E. SHARPE, Barrister.  
ALEXANDER MELVILLE  
GEO. N. JACKSON  
H. J. MEIKLEJOHN, M.D.C.M.

## OFFICERS

R. R. SCOTT	President.	LENDRUM McMEANS, K.C.	2nd Vice-President.
HON. COLIN H. CAMPBELL	1st Vice-President.	JOHNSTON DOUGLASS	Treasurer.
S. H. PIPE, F.A.S.	Solicitor.	H. J. MEIKLEJOHN	Managing Director.
T. ALLEN	Consulting Actuary.	Dr. J. S. GRAY	Chief Medical Referee.
	Secretary.		