The Federal Life Assurance Co.

OF CANADA.

The twentieth annual meeting of the shareholders of this Company was held at the Head Office, in Hamilton, Tuesday, the 4th inst. Lieut.-Col. Kerns, Vice-President, was appointed Chairman and Mr. David Dexter, Secretary.

The Directors presented their annual report as follows:

DIRECTORS' REPORT.

Your Directors have the honour to present the Report and Financial Statement of the Company for the year which closed on the 31st December, 1901, duly vouched for by the Auditors.

The new business of the year consisted of seventeen hundred and ninety-three applications for insurance, aggregating $2,479,500 of which seventeen hundred and four applications, for $2,385,768.50, were accepted; applications for $93,731.50 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 $178,584.66, and have now reached $1,449,925.58, exclusive of guarantee capital.

The security of policyholders, including guarantee capital, amounted at the close of the year to $2,319,925.58, and the liabilities for reserves and all outstanding claims, $1,290,849.94, showing a surplus of $1,029,075.64. Exclusive of uncalled guarantee capital, the surplus to policyholders was $159,075.64.

Policies on fifty-six lives became claims through death, to the amount of $126,745, of which $5,000 was reinsured in other companies, a rate of mortality considerably under that provided for.

Including cash dividends and dividends applied to the reduction of premiums, $30,638.70, with annuities, the total payments to policyholders amounted to $182,925.67.

Careful attention has been given to the investment of the Company's funds, in first class bonds, mortgage securities and loans on the Company's policies amply secured by reserves. Our investments have yielded results better than the averag 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.

The assurances carried by the Company now amount to $13,058,777.61, upon which the Company holds reserves to the full amount required by law, and, in addition thereto, a considerable surplus, as above shown.

The work of the current year, now well under way, has produced results even better than for the same period last year, leading to the belief that a like advantage may be maintained throughout the year.

WM. KERNS, Vice-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 31st December, 1901, 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 31st December, is indicated by the accompanying statement.

Respectfully submitted,

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

Hamilton, 1st March, 1902.

FINANCIAL STATEMENT FOR 1901.

Premium income	$ 439,504 05	Paid to policyholders for death claims, endowments, surrender values and profits	$ 182,925 67
Interest	57,554 64	All other payments	158,310 16
Capital stock	7,715 00	Balance	163,537 86
	$ 504,773 69		$ 504,773 69

December 31, 1901.

ASSETS.		LIABILITIES.	
Debentures and bonds	$ 321,172 84	Reserve fund	$ 1,255,056 31
Mortgages	619,691 65	Death losses awaiting proofs	20,400 00
Loans secured by policy reserves	235,530 59	Other liabilities	15,393 63
Cash in bank and other assets	273,530 50	Surplus on policyholders' account	159,075 64
	$1,449,925 58		$1,449,925 58
		Guarantee capital	870,000 00
		Total security	$2,319,925 58
		Polices were issued assuring	2,385,768 50
		Total Assurance in force	13,058,777 61

On motion of Lt.-Col. Kerns, seconded by Mr. Macpherson, the report was adopted.

The Medical Director presented a Statistical report showing a favourable mortality experience.

The retiring Directors were re-elected, and, at a subsequent meeting, Mr. David Dexter was elected President and Managing Director, Lt.-Col. Kerns and Mr. Macpherson, Vice-Presidents.