

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 David Dexter, secretary.

REPORT OF DIRECTORS

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, 1901, duly vouched for by the auditors.

The new business of the year consisted of 1,793 applications for insurance, aggregating \$2,479,500, of which 1,704 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 for 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 56 lives became claims through death, to the amount of \$126,745, of which \$5,000 was re-insured 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 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.

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.

DAVID DEXTER, Managing Director.
WM. KERNS, Vice-President.

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, 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 Dec. 31, is indicated by the accompanying statement.

Respectfully submitted,

H. S. STEPHENS,

J. J. MASON,

Auditors.

Hamilton, March 1, 1902.

FINANCIAL STATEMENT FOR 1901.

Premium Income.....	\$ 439,504.05
Interest.....	57,554.64
Capital Stock.....	7,715.00
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	\$ 504,773.69
Paid to policyholders for death claims, endowments, surrender values and profits.....	\$ 182,925.67
All other payments.....	158,310.16
Balance.....	163,537.86
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	\$ 504,773.69
Assets, Dec. 31, 1901—	
Debentures and bonds.....	\$ 321,172.84
Mortgages.....	619,691.65
Loans secured by policy reserves....	235,530.59
Cash in bank and other assets.....	273,530.50
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	\$ 1,449,925.58
Liabilities—	
Reserve fund.....	\$ 1,255,056.31
Death losses awaiting proofs.....	20,400.00
Other liabilities.....	15,393.63
Surplus on policyholders' account....	159,075.64
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	\$ 1,449,925.58
Guarantee capital.....	\$ 870,000.00
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Total security.....	\$ 2,319,925.58
Policies were issued assuring.....	\$ 2,385,768.50
Total assurance in force.....	\$13,058,777.61

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

The medical director presented a statistical report showing a favorable mortality experience.

The retiring directors were re-elected, and, at a subsequent meeting, David Dexter was elected president and managing director; Lieut.-Col. Kerns and Mr. Macpherson, vice-presidents.