

# THE CONFEDERATION LIFE ASSOCIATION.

## Twenty-first Annual Report.

### ANOTHER YEAR OF SOLID PROGRESS.

The New Insurance Written Exceeds That of Any Other Year in the History of the Company—Increase Made in all Departments of the Company's Business.

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. There was a large attendance of policy-holders and shareholders of the Association, among those present being:—

Edward Hooper, vice-president; W. H. Beatty, Q.C., Walter S. Lee, W. H. Gibbs, George Mitchell (of Halifax, N.S.), S. Nordheimer, A. McLean Howland, J. D. Edgar, M. P., Alfred Gooderham, James Beatty, Q.C., H. H. Ogden, J. S. Huston, I. Diamond, C. M. Gripton, R. R. Gamey, R. S. Baird, Alfred Myers, C. E. Hooper, W. A. Lamb, Dr. William Oldright, W. McGibbon, J. M. Richardson, J. P. Donald, Henry Harper, F. W. Green (provincial manager, C. L. A., Halifax), W. R. Harris, D. McDonald (Inspector for Manitoba, the Northwest and British Columbia), J. Tower Boyd, Thomas Sanderson, F. H. Heath, H. C. Snow, F. H. Johnston, Rev. Mr. Ball, John Colridge, D. George Chesnut, A. W. R. Markley (Calgary), G. W. arker (of St. John, N. B.), James Mussen, P. D. McKinnon, R. H. Gamble, J. P. Oram, A. J. Russell Snow, R. J. Hunter, W. Macdonald, J. L. Kerr, etc.

The President opened the meeting by calling upon the Secretary to read copy of the advertisement and of the notices to the shareholders calling the meeting.

The minutes of the last meeting were taken as read and formally adopted.

#### THE FOLLOWING REPORT AND FINANCIAL STATEMENTS WERE THEN SUBMITTED TO THE MEETING:

##### 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, as 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 2,888 applications for \$3,815,050. Of these 2,258 for \$3,596,550 were approved, and the balance declined or

withdrawn. Adding to the issue the revived policies of previous years and bonus additions, the total new business was 2,291 policies for \$3,872,591 of insurance.

The total insurance in force at the close of the year was \$22,565,72, 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 the 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 Asset, Dec. 31, 1891.....\$3,483,617 99

##### RECEIPTS.

Premiums.....	\$716,048 24	
Annuities.....	5,411 75	
Less Re-Assurance Premiums....	4,481 82	
Interest and Rents.....	\$173,903 68	716,978 67
Less Repairs and Taxes.....	12,371 81	
		160,532 37
		<u>\$4,361,128 43</u>

##### DISBURSEMENTS.

Expenses (Salaries and Commissions, Agents, Doctors, Solicitors, etc.).....	\$174,947 54
Annuities (Life \$3,373 90; Temporary \$26,621 59).....	22,994 49
To Policyholders.	
Death Claims.....	\$168,980 14
Endowment claims.....	17,787 00
Surrendered Policies.....	27,024 65
Dividends (Cash and T.R.s).....	65,789 15
	279,530 94
Dividends to Stockholders and Civic Tax.	15,816 42
Balance to New Account.....	3,861,439 04
	<u>\$4,361,128 43</u>

#### BALANCE SHEET.

##### ASSETS.

Mortgages.....	\$2,096,483 61
Debentures.....	461,964 57
Real Estate.....	914,473 79
Loans on Stocks and Debentures.....	57,593 70
Government Stock and Deposit.....	4,824 70
Loans on Company's Policies.....	327,663 69
Fire Premiums due from Mortgagees.....	4,490 51
Furniture.....	4,912 29
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.	18,673 00
(Reserve thereon included in Liabilities)	123,046 18
Interest and Rents due and accrued.....	96,426 41
	<u>\$4,116,170 60</u>

#### LIABILITIES.

Assurance and Annuity Funds.....	\$3,606,780 00
Losses by Death accrued (not adjusted)....	35,535 68
Fees, Doctors and Directors.....	7,874 00
Capital Stock paid up.....	100,000 00
Dividends due January 1st, 1893.....	7,800 00
To Policyholders for Balance Declared	
Profits (Cash and T.R.s).....	48,339 68
Current Accounts.....	34,339 97
Cash Surplus above all Liabilities.....	206,423 16
	<u>\$4,116,170 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.....	300,000 00
Total Surplus Security for Policyholders.....	<u>\$1,293,423 18</u>

J. K. MACDONALD, Managing Director.

#### AUDITORS' REPORT.

We beg to report that we have completed the audit of the books of the Association for the year ending December 31st, 1892, and have examined the vouchers connected therewith, and certify that the financial statements agree with the books and are correct.

The securities represented in the assets (with the exception of those lodged with the Dominion Government, amounting to \$84,500), have been examined and compared with the books of the Association, and are correct, and correspond with the Schedules and Ledgers.

The bank balances and cash are certified as correct.

(Signed) • W. R. HARRIS,  
WM. E. WATSON,  
Auditors.

Toronto, February 10th, 1893.

The President, Sir W. P. Howland, in moving the adoption of the Annual Report and financial statements submitted therewith, pointed out that notwithstanding the increased competition encountered, the new business of the past year showed a gain over the previous year of \$755,363, and there was in force at the end of the year the very large amount of \$22,565,752—an increase in the amount of risk over that at December, 1891, of close upon \$2,000,000, this being the largest business ever done in any year of the Company's history. The operations of the Company have extended and increased in every part of the Dominion, and, as the report shows, it is rapidly gaining in public confidence wherever represented.

Mr. Edward Hooper, Vice-President of the Company had placed it in the very first rank of Canadian companies. He referred to the organization of the Company, and that he was one of the original stockholders. His confidence in its future was established when it became known to him that Mr. Macdonald, its present Managing Director, was to be at the helm. He expressed great joy at the unexpected pleasure of being present to-day. He had been present at the first meeting in connection with the formation of the Company, and had much pleasure in seconding the adoption of the Report.

Mr. Macdonald, the Managing Director, voluntarily offered an explanation in regard to one or two of the items contained in the report, and stated in conclusion that the business of the Association for the present year was, so far, eminently satisfactory. The applications for new insurance are over one-third greater than for the corresponding period of 1892, or any former year. The interest income shows an increase, up to the end of last month, of over \$10,000, and the Premium Income, speaking from memory, of over \$15,000. (Applause.)

The motion in regard to the adoption of the Report was then unanimously carried.

Mr. George Mitchell, of Halifax, N. S., in reply to a vote of thanks, which was duly passed, to the General and Local Directors of the Association, expressed his great satisfaction with the Company's new building after a thorough inspection of it. He also expressed his surprise with the growth and solidity of Toronto—his