

THE CONFEDERATION LIFE ASSOCIATION.

Twenty-first Annual Report.

ANOTHER YEAR OF SOLID PROGRESS.

The Now 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 Howard, J. D. Edgar, M.P., Alfred Gooderham James Beatty, Q.C., H. H. Ogden, J. S. Huston, I. Diamond, C. M. Gripton, R. R. Ganev, 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. Parker (of St. John, N.B.), James Musson, P. D. McKinnon, E. H. Gamble, 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 the 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 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 2,353 applications for \$3,815,050. Of these 2,259 for \$3,590,150, 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 \$3,072,591 of insurance.

The total insurance in force at the close of the year was \$2,585,752, under 14,074 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 Assets, Dec. 31, 1891..... | \$3,483,017 39 |
| RECEIPTS. | |
| Premiums | \$710,018 24 |
| Annuities | 6,411 75 |
| Less Re-Assurance Premiums | \$721,459 99 |
| | 4,481 32 |
| Interest and Rents..... | \$172,903 04 |
| Less Repairs and Taxes | 12,371 31 |
| | 710,978 07 |
| | 100,532 37 |
| | \$1,361,128 43 |
| DISBURSEMENTS. | |
| Expenses (Salaries and Commissions, Agents, Doctors, Solicitors, etc.) | \$174,947 54 |
| Annuities (Late \$3,372 90), Temporary, \$20,021 59 | 29,934 49 |
| <i>To Policyholders</i> | |
| Death Claims | \$163,950 14 |
| Endowment Claims | 17,737 00 |
| Surrendered Policies | 27,024 05 |
| Dividends (Cash and T. R's) | 65,789 10 |
| | 279,630 91 |
| Dividends to Stockholders and Civil Tax | 15,216 42 |
| Balance L. New Account | 5,801,439 04 |
| | \$1,361,128 43 |

BALANCE SHEET.

| | |
|---|----------------|
| ASSETS. | |
| Mortgages | \$2,008,483 01 |
| Debentures | 401,851 57 |
| Real Estate | 914,473 70 |
| Loans on Stocks and Debentures | 27,592 79 |
| Government Stock and Deposit | 4,824 70 |
| Loans on Company's Policies | 327,662 09 |
| Fire Premiums due from Mortgagees | 4,400 51 |
| Furniture | 4,912 29 |
| Advances to Agents and Employees on Security of Salaries and Commissions, and for Travelling Expenses | 4,310 77 |
| Sundry Current Accounts | 126 70 |
| Cash in Banks, \$10,590 60; at H. O., \$213 08 | 10,803 68 |
| Outstanding premiums | \$101,972 75 |
| Deferred Premiums | 34,747 43 |
| | \$139,720 18 |
| Less 10 per cent. for collection | 13,672 00 |
| (Reserve thereon included in Liabilities | 123,048 18 |
| Interest and Rents due and accrued | 90,426 41 |
| | \$4,115,170 60 |
| LIABILITIES | |
| Assurance and Annuity Funds | \$3,000,700 00 |
| Losses by Death accrued (not adjusted) | 23,516 63 |
| Fees, Doctors and Directors | 7,474 01 |
| Capital Stock paid up | 100,000 00 |
| Dividends due January 1st 1892 | 7,500 00 |
| To Policyholders for Balance Declared Profits (Cash and T. R's) | 48,239 82 |
| Current Accounts | 34,216 97 |
| Cash Surplus above all Liabilities | 293,423 18 |
| | \$4,115,170 60 |

| | |
|--|---------------|
| 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 |

Total Surplus Security for Policy Holders \$1,293,423 18

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, 1891, 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 \$34,500), 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, 1892.

The President, Sir W. P. Howland, in moving the adoption of 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 \$22,665,752—an increase in the amount at 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, said that the magnificent business 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 recording 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 were 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 \$4,000, 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 motion 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 last visit to the city being made twenty-five years ago. Speaking of the maritime provinces, he said: "The Confederation Life has been steadily growing in public favor. The Manager for the Provinces, Mr. F. W. Green, has proved himself to be thoroughly competent and every where popular, and his early training at the Head Office and the knowledge gained while there concerning the affairs of the Company gives him a measure of confidence which proves invaluable to him and those under him in his field work. I am proud to feel that the maritime provinces are contributing largely to the success and prosperity of this great Company." He thought that all Canadians east and west should unite in sustaining our home companies instead of giving business to foreign ones.

Mr. W. H. Gibbs moved, seconded by Mr. Walter S. Lee, that the thanks of the meeting be tendered to the officers, agents, etc., of the Association for their efforts during the past year.

Mr. F. W. Green, manager for the maritime provinces, replying on behalf of the field workers of the Association, expressed his great pleasure at being present at the first annual meeting of the Association in its new head office building. Agents of some rival companies endeavor to depreciate the Association in connection with its building. His answer to these was, that the building was the outcome of the mature judgment of the same board of directors who had made the company such a phenomenal success from its formation, and which was in itself an evidence of the wisdom and enterprise of the management. Referring to the statement made in the report to the too common and pernicious habit of rebating, he said: "That although in the last four years several million dollars' worth of new business had been sent in from the maritime provinces, not a single policy had been obtained by a rebate or a concession of even so much as one single cent. The company had firmly fought the common practice of rebating, and he hoped it would continue to set its face against it."

Mr. A. R. Markley, of Calgary, and others, spoke in expression of their pleasure at being present at the meeting, and referred in complimentary terms to the high appreciation in which the Association is held by the insuring public.

After some further routine business a poll was duly opened for the election of directors. All the members of the old Board were re-elected.

On His 55th Birthday

Mr. W. H. Beatty then, at the request of the President, unveiled a portrait of the Managing Director, painted by Mr. O. A. Reid, of Toronto, and in a few graceful words presented it, on behalf of the Directors, to the Association. Mr. Beatty referred to the fact that he had attended the first meeting of the insurance Committee, and that the first application offered was that of Mr. Macdonald's, and it was a coincidence that the first Board meeting in the new building was on the fifty-fifth anniversary of his birthday. (Applause.)

Mr. Macdonald, in acknowledging the compliment paid him in painting the portrait, referred to the many acts of kindness of the Directors, and to the agreeable manner in which all suggestions and recommendations made by him to the Board had been received, and he might say generally accepted. He stated that he would have been disinclined to accede to the request to having his portrait painted had it not been made at the suggestion of the President, and pressed upon him. He trusted that the remaining years of his life would be spent, as so many had already been given, to the building up of the Confederation Life Association, which had now become a part of his very existence. (Applause.)

The meeting adjourned, immediately after which a meeting of the new Board of Directors was held, and Sir W. P. Howland was re-elected president, and Messrs. William Elliott and Edward Hooper, vice-presidents, the remaining members of the board being W. H. Beatty, Esq., Hon. James Young, S. Nordheimer, Esq., ex-Ald. W. H. Gibbs, A. McLean Howard, Esq., J. D. Edgar, M.P., Walter S. Lee, Esq., A. L. Gooderham, Esq., W. D. Matthews, Esq., George Mitchell, Esq., Halifax, and J. K. Macdonald, Managing Director.