

# FEDERAL LIFE Assurance Co.

## THE SIXTEENTH ANNUAL STATEMENT.

THE SIXTEENTH ANNUAL MEETING of the shareholders of this company was held at the head offices in Hamilton at two o'clock on Tuesday, the 1st inst. Mr. James H. Beatty, president, was appointed chairman, and Mr. David Dexter, managing director, secretary. The following report was submitted:

### DIRECTORS' REPORT.

The directors have pleasure in submitting for the information and approval of the shareholders the following report of the business of the company, together with a statement of receipts and disbursements for the year which closed on 31st December last, and of the assets and liabilities on that date.

New business consisted of sixteen hundred and fifty applications for insurance, aggregating \$2,212,000, of which fifteen hundred and seventy-one applications for \$2,104,000 were accepted. Applications for \$108,000 having been rejected or held for further information. Annuity premiums to the amount of \$8,400 were also received.

During the past five years \$7,000,000 of renewable term assurances have been replaced by higher premium policies—principally on limited payment life plans—through which means the premium income and reserve funds of the company have been largely increased, though but little addition has been made to the amount of assurances at risk. These assurances are distributed over a greater number of lives in smaller amounts than heretofore. The number of lives assured increased from five thousand seven hundred and eighty-four at the beginning of the year to six thousand two hundred and fifty-one at its close. An addition of four hundred and seventy-one.

The income, exclusive of capital stock, shows an increase of \$46,156.50 over the previous year, and the assets an increase of \$114,

735.46. The income proper being \$381,798.41 for the year, and the assets \$722,448.27, exclusive of uncalled guarantee capital.

The security for policy holders, including guarantee capital, was at the close of the year \$1,331,448.27, and the liabilities for reserves and all outstanding claims, \$618,481.33—showing a surplus of \$712,966.94. Exclusive of uncalled guarantee capital, the surplus to policy-holders was \$103,966.94.

Assurances for \$122,826, on forty-four lives, became claims through death, of which amount the company was re-insured for \$23,000. Including cash dividends and dividends applied on a reduction of premiums (\$41,246.47), with a matured endowment for \$2,000, the total payments to policy holders amounted to \$164,972.47.

In pursuance of the authority granted at the last annual meeting of the shareholders, your directors have made application to the parliament of Canada for a special act of incorporation with a view to facilitating the business and investments of the company. Up to the present time we have been doing business in all the provinces under a provincial charter and Dominion license.

During the past few months there have been indications of a general improvement in business most encouraging in their character; should this improvement continue, life insurance interest will share in the benefits arising therefrom.

The office and agency staff of the company have given excellent service, and are worthy of your commendation.

The accompanying certificate from the auditors vouches for the correctness of the statements submitted herewith, all accounts, securities and vouchers having been examined by them.

JAMES H. BEATTY,  
President.

DAVID DEXTER,  
Managing Director.

### AUDITOR'S 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, 1897, 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,

SHERMAN E. TOWNSEND,  
H. S. STEPHENS, Auditors.

HAMILTON, March 1, 1898.

### FINANCIAL STATEMENT.

Income.	
Insurance and annuity premiums.....	\$360,713 94
Interest and rents.....	32,209 79
Capital stock.....	9,703 00
	<u>\$426,626 73</u>
	<u>\$492,633 73</u>

Liabilities.	
Reserve fund.....	\$609,981 33
Claims unadjusted.....	8,500 00
Balance.....	<u>\$ 618,481 33</u>
	<u>712,966 94</u>
	<u>\$1,331,448 27</u>

Disbursements.	
Death claims and annuities.....	\$112,485 80
Endowments and surrendered policies..	5,934 81
Dividends to policyholders.....	39,246 47
Re-insurance premiums.....	11,125 32
Commissions, salaries and other expenses.....	114,678 77
Dividends to shareholders.....	4,773 60
Balance.....	<u>\$ 288,241 77</u>
	<u>114,381 96</u>
	<u>\$402,623 73</u>

Assets.	
Mortgages and debentures.....	\$290,545 14
Loans on policies.....	159,487 35
Cash in bank and on hand.....	131,159 65
Real estate.....	30,000 00
Premiums deferred, interest accrued and other assets.....	109,256 13
Guarantee capital.....	<u>\$ 722,448 27</u>
	<u>609,000 00</u>
	<u>\$1,331,448 27</u>

On motion of the president, Mr. Beatty, seconded by Dr. Burns, and followed by Elicious remarks from the mover and seconder and other shareholders, the directors' report was adopted. The thanks of the shareholders were tendered to the officers and

agents of the company, and suitably responded to. The retiring directors were re-elected and the auditors re-appointed. At a subsequent meeting of the directors the officers of the previous year were re-elected.