

FINANCIAL STATEMENT.

INCOME.

| | |
|-----------------------------------|---------------|
| Premiums, interest and rents..... | \$ 410,831 73 |
|-----------------------------------|---------------|

DISBURSEMENTS.

| | |
|--|------------|
| Paid policyholders for death claims, endowments, dividends, etc..... | 143,702 25 |
| General expenses, re insurance and dividends on capital..... | 127,548 09 |

ASSETS.

| | |
|--|--------------|
| Debentures, mortgages, policy loans, real estate, cash and other securities..... | \$866,283 41 |
| Guarantee capital..... | 609,000 00 |
| Total resources for security of policyholders..... | 1,475,283 41 |

LIABILITIES.

| | |
|--|---------------|
| Reserve fund..... | 757,399 20 |
| Surplus to policyholders..... | 717,884 21 |
| Insurance written and taken during the year..... | 2,021,585 00 |
| Amount insured..... | 11,125,566 43 |

JAMES H. BEATTY,

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, 1898, and have certified 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,

SHERMAN E. TOWNSEND,

Auditors.

HAMILTON, March 1st, 1899.

In moving the adoption of the Directors' Report, Mr. Kerns referred to the steady and substantial growth of the Company's business; the large increase from year to year in its income, assets and surplus. He stated that while the expenditure had been decreased 6.56 per cent. in the last year, the assets of the Company had increased 19.90 per cent., the net surplus 37.92 per cent., and the reserve funds 21.41 per cent., the capital and assets having now reached \$1,475,283.41.

He quoted from the December number of the *Economist* to show that the Company had so carefully managed the investment of funds as to earn a better rate of interest in each of the past eight years than the average rate earned by all of the Canadian life assurance companies. The rate earned by the Federal in 1897—the last year in which the average can be obtained from the report of the Superintendent of Insurance—was 5.64 per cent., and the average rate earned by all the Canadian companies 4.48 per cent.

After the adoption of the Directors' Report an interesting report of the mortality experience of the Company and of the history of medical examinations for life insurance was read by the Medical Director, Dr. Wolverton.

Congratulatory remarks regarding the substantial progress of the Company and regarding the management were made by several of the shareholders.

A vote of thanks to the officers, agents and office staff was responded to by Mr. David Dexter, the Managing Director.

The retiring Directors of the Company were re-elected, with the addition of T. H. Macpherson, Esq., M.P.

The Auditors were reappointed.