

The Sun Life Assurance Company of Canada.

A RECORD OF PROSPERITY.

LEADS CANADIAN COMPANIES IN NEW BUSINESS.

The directors have much satisfaction in presenting the following report on the transactions of the company for the year ending the 31st December, 1896, together with the audited accounts.

The life applications received were 10,898 for assurances to the amount of \$11,110,292.19. Of these 10,161, covering \$9,741,258.38, were accepted, and policies issued therefor, the balance being declined or not completed. The assurances on which premiums were actually paid in cash before the close of the year were 6,519, for \$7,468,281.57. This new business is not only larger than that secured by the company in any previous year of its history, but also much larger than that of any other Canadian life company.

The policies in force on 31st December last were 26,840, assuring \$18,196,800.92, being an increase for the year of 4,539 policies, for \$3,441,050.67.

The company has recently introduced a system by which the benefits of life assurance are extended to persons of limited income, by means of policies of small amount, but calling for annual, half-yearly or quarterly premium in the usual way. These assurances are known as Thrift policies. The influence of this department is observable in the reduction in the average sum of the new assurances. In the ordinary department the average amount of the new policies was \$1,531.

The cash premium income, after deducting sums paid for re-assurances, amounted to \$1,529,624.34. In addition to this \$120,644.02 was received in consideration for annuities granted. The total net premium income was thus \$1,650,268.36, being an increase of \$318,679.29 over the figure of the previous twelve months. The total receipts for the year, including interest and rents, were \$1,886,258. The death claims which fell in were 15 on 190 lives, and assuring \$350,517. The amount "expended" according to our mortality tables was \$154,417.5. It will thus be seen that the sum paid was large, the company's experience was in reality favorable. In addition to the foregoing 53 endowment assurances of \$1,934.90 matured during the year. The total payments made to policyholders were \$512,886.88. It is interesting to know that in twenty-six years of its active history, the company has returned to policyholders or beneficiaries \$3,626,860. It would be difficult to estimate the extent of the influence for good of this large amount, which has been paid chiefly to widows and orphans, or to persons in advanced

374.18 during the year. After setting aside the amounts needed to cover all outstanding claims; after valuing the policy liabilities by the very severe standard which the company has voluntarily adopted (the Institute of Actuaries' Hm Table with 4 per cent interest); after providing for the paid-up capital stock; and after distributing \$27,835.23 in cash profits to policies entitled to participate during the year, there remains a net surplus over all liabilities of \$282,608.65.

For the purpose of showing what the corresponding surplus figures would have been had any of the following tables been used in valuing the policies, the several net results are here appended:

	Surplus over all liabilities and capital stock.
By the Dominion government standard (the Hm. table with 4.1-2 p. c. interest)	\$ 595,902.02
By the American table with 4 per cent.	432,604.32
By the American table with 4.1-2 per cent.	749,555.88
Since the last annual meeting the Company has further extended its operations in the United States by establishing a branch at Philadelphia, covering the States of Pennsylvania and Maryland, and the District of Columbia.	

The Directors have to record with much regret the death of their esteemed colleague, Mr. Robt. Anderson. Mr. T. B. Macaulay was unanimously appointed to fill the vacancy thus created.

R. MACAULAY, President
T. B. MACAULAY, Secretary and Actuary.
A. W. OGILVIE, Vice-Pres.

STATEMENT OF ACCOUNTS FOR 1896.

INCOME.	
Premiums—Life (New)	\$ 467,702.81
Renewals	1,063,001.08
	<u>\$1,530,703.89</u>
Annuities	120,644.02
Accident	323.82
Total premium income	\$1,651,673.73
Less paid for re-assurances	1,105.37
	<u>\$1,650,268.36</u>
Interest and rents	235,989.64
Total income	<u>\$1,886,258.00</u>

DISBURSEMENTS.	
Death claims, including bonuses	\$ 334,019.37
Matured endowments, including bonuses	64,485.49
Annuity payments	7,416.42
Cash profits paid policyholders	27,835.23
Bonuses surrendered	11,879.58
Surrender values	67,160.77
Accident claims	60.00
	<u>\$ 512,886.86</u>
Dividends on capital, paid January and July, 1896	9,375.00
Expense account	232,966.07
Commissions	195,821.41
Medical fees	22,947.84
	<u>\$ 451,735.33</u>
Total disbursements	\$ 973,997.18
Surplus over disbursements	<u>\$122,660.82</u>
	<u>\$1,886,258.00</u>

ASSETS.	
Debentures—Market value	\$1,514,595.95
Stock—Montreal Loan & Mortgage Company	7,117.50
Loans on real estate, first mortgages	3,298,135.43
Loans on bonds and stocks	10,000.00
Real estate, including Company's building	473,514.18
Loans on Company's policies	439,063.72
Premiums advanced under nonforfeiture agreements	36,437.06
Cash in banks and on hand	102,771.44
Outstanding premiums, less cost of collection	254,356.49
Deferred premiums, less cost of collection	95,699.24
	<u>\$ 349,955.70</u>

(These items are secured by reserves including liabilities, of over \$950,000).	
Interest due	59,625.32
Interest accrued	93,782.16
Rents due and accrued	1,925.80
Other assets	1,220.40
Net assets	<u>\$6,388,144.66</u>
(Including uncalled capital, the total assets are)	<u>\$6,825,644.66</u>

LIABILITIES.	
Reserve on life policies, according to the Dominion Government Standard (Hm. 4.1-2 per cent.)	\$5,479,804.85
Reserves on annuities	145,021.11
	<u>\$5,624,825.96</u>
Loss reserves on policies re-assured	5,918.85
Total reserves by Government Standard	<u>\$5,618,907.11</u>
Additional amount reserved to change Standard to Hm. 4 per cent.	313,293.37
Total reserve by Hm. 4 p.c. table	<u>\$5,932,200.48</u>

Death claims reported but not proved or awaiting discharge	64,511.13
Matured endowment (awaiting discharge)	266.00
Present value of death claims, payable in instalments, not yet due	2,590.11
Unearned accident premiums	193.49
Dividends to policyholders, unpaid	9,673.97
Sinking fund deposited for maturing debentures	1,479.04
Dividend due shareholders 2nd January, 1897	4,687.50
Sundry liabilities	27,432.29
Total liabilities	<u>\$6,043,036.01</u>
Cash surplus to policyholders by Hm. 4 p.c. Standard	345,108.65
Capital paid up	62,500.00
Net surplus over all liabilities and capital stock	<u>\$ 345,108.65</u>

The net surplus according to the Government Standard is	<u>\$ 595,902.02</u>
The surplus to policyholders, including subscribed but uncalled capital, according to Government Standard is	<u>\$1,033,402.02</u>
	<u>\$6,388,144.66</u>

	<u>\$ 345,108.65</u>
	<u>\$ 595,902.02</u>
	<u>\$1,033,402.02</u>
	<u>\$6,388,144.66</u>

New York, June 14.—The visible supply of grain in the United States and Canada east of the Rocky Mountains, and changes for the week are as follows June 14, 1897. 22,086,000 bushels wheat; 16,621,000 bushels corn; 9,756,000 bushels oats; decrease 1,704,000 bushels wheat; increases 2,621,000 bushels corn; 327,000 bushels oats. The visible supply of wheat in the United States and Canada and the amount of wheat and flour now in transit to Europe is equivalent to 40,326,000 bushels, against 80,206,000 bushels one year ago; and of corn 24,861,000 bushels, against 17,086,000 bushels.

assets now amount to \$6,388,144.66, being an increase of \$1,022,660.82.