

THE FORTY-FOURTH ANNUAL REPORT OF THE LONDON LIFE INSURANCE COMPANY

SHOWS UNINTERRUPTED PROGRESS DURING 1918

Business in Force \$59,804,430.—A Gain of \$9,017,064. Cash Income \$2,799,883
Assets \$9,189,657 Decrease in Expense Rate. Increase in Interest Rate.
Profits Exceed Estimates by 65 per cent.

SYNOPSIS OF FINANCIAL STATEMENT

REVENUE ACCOUNT

RECEIPTS

Total Premium Income.....	\$2,249,348.08
Interest on Investments.....	530,535.62
Items in Suspense.....	2,656.75

\$2,782,540.45

DISBURSEMENTS

Paid Policyholders or Heirs.....	\$ 900,107.65
Dividends to Shareholders.....	4,000.00
Government Fees and Taxes.....	37,628.22
Medical Fees, Head Office, Investment and General Expenses.....	217,989.26
Agency Salaries and Commissions.....	543,728.30
Balance to Investment Account.....	1,079,686.62

\$2,782,540.45

BALANCE SHEET

ASSETS

Mortgages, Debentures and Stocks.....	\$7,937,565.56
Loans on Policies and other Invested Assets.....	805,049.68
Outstanding and Deferred Premiums, net.....	261,379.98
Interest Due and Accrued.....	185,722.65

\$9,189,657.87

LIABILITIES

Policy and Annuity Reserves.....	\$8,448,469.00
Accumulating and Accruing Profits.....	269,595.00
Investment Reserves and other Liabilities.....	297,602.64
Surplus on Policyholders' Account (inclusive of paid Capital, \$50,000).....	173,991.23

\$9,189,657.87

SIGNIFICANT FACTS FROM ANNUAL REPORT

INSURANCES

The amount of New Insurance issued during the year was the largest in the Company's history. Again the Business in Force has more than doubled in five years and quadrupled in ten years.

EXPENSES

In both the Weekly Premium and Ordinary Branches very satisfactory reductions from the previous low record of 1917 were effected.

ASSETS

All Bonds, Debentures, and Stocks owned by the Company have been carried into the Statement at a figure considerably below the prevailing market values. The rate of interest earned during the year was 6.82%, two points higher than in 1917.

LIABILITIES

The Reserves on over 96% of the business has been computed on a 3% interest basis—a higher reserve standard than that adopted by any other similar Company on the continent. All accruing profits on participating policies to their anniversary in 1918 have been computed and fully provided for in the liabilities.

CLAIMS

War and Epidemic Claims formed over 50% of the total claims of the year. The total claims paid to end of 1918 on account of the War, the Halifax Disaster and the Epidemic amount to more than \$650,000.

SURPLUS

The earnings of the year were sufficient to meet all the usual obligations, including reserve for profits accruing, all War Claims and a large portion of the Epidemic Claims. The Surplus Fund available for emergencies was used to the extent required to meet the balance of the Influenza Claims. The Surplus on the Government basis, exclusive of market values of securities over book values, is \$926,000.

DIVIDEND DISTRIBUTIONS

On account of the Company's ability to meet the extraordinary claims of the year in the manner indicated, there is no occasion to reduce the scale of profit distributions. An adjustment at the older ages has, however, been made in order to establish greater equity in the distribution of profits. The quinquennial distributions in 1919 will, on the average, exceed the original estimates on the present rates by 65%.