

THE MUTUAL LIFE Assurance Co. of Canada.

35th Annual Report for the Year 1904.

INCOME.		DISBURSEMENTS.	
Premiums	\$1,373,374 69	Death Claims	\$ 220,304 50
Interest and rents	351,944 21	Matured Endowments	160,053 00
		Purchased Policies	52,394 54
		Surplus	83,183 40
		Annuities	8,679 90
		Expenses, Taxes, etc.	300,807 00
		Balance	899,886 56
	\$1,725,308 90		\$1,725,308 90
ASSETS.		LIABILITIES.	
Mortgages	\$3,760,617 53	Reserve 4, 3 1-2 and 3 per cent.	\$7,355,172 24
Debentures and Bonds	2,897,490 42	Reserve on lapsed Policies liable to revive or surrender	1,067 10
Loans on Policies	888,492 41	Death Claims unadjusted	28,066 00
Loans on Stock	7,000 00	Present value of Death Claims payable in instalments	31,122 82
Liens on Policies	31,161 25	Premiums paid in advance	15,023 90
Real Estate	68,285 53	Amount due for medical fees	5,847 56
Cash in Banks	136,728 03	Credit Ledger Balances	11,257 96
Cash at Head Office	4,317 18	Net surplus over all Liabilities on Company's Valuation Standard	772,072 87
Due and Deferred Premiums (net)	266,713 94		
Interest due and Accrued	159,718 10		
	\$8,220,530 45		\$8,220,530 45
Net Surplus Over all Liabilities on Government Standard of Valuation		\$1,049,400 71	

AUDITED AND FOUND CORRECT.

J. M. SCULLY, F. C. A., Auditor.

GEO. WEGENAST, Manager.

DIRECTORS' REPORT.

Your Directors have pleasure in submitting their 35th Annual Report, showing the transactions for the year, and the Financial standing of the Company as at December 31, 1904. The business of 1904 was most gratifying in all respects, large gains having been made in Income, Assets and Surplus.

INSURANCE ACCOUNT.—The volume of new business exceeds that of any former year, being 3,452 Policies for \$5,048,168, all of which, except \$30,000, was written within the Dominion. The total assurance now in force is \$40,476,970.58 under 27,742 policies, the net addition for the year being \$2,889,419. While many of our native Companies are seeking business abroad, some of them in distant parts of the world, it is thought by your Directors that good Canadian business is preferable to foreign business, which is secured with less certainty as to its quality, and at excessive cost.

INCOME.—The total income was \$1,725,308.90, being \$1,373,364.69 for premiums, and \$351,944.21 for interest. The gain over 1903 was \$164,238.87.

DISBURSEMENTS.—The payments to Policy-holders amounted to \$524,615.34, and consisted of Death Claims, \$220,304.50; Endowments, \$160,053; Purchased Policies, \$52,394.54; Surplus, \$83,183.40, and Annuities, \$8,679.90. The claims by death were exceptionally light, being \$51,404 less than last year, and only 41 per cent. of the amount expected.

THE EXPENSES AND TAXES were \$300,807, being 17.4 per cent. of the total income, or about 1 per cent. less than in 1903.

ASSETS.—The cash assets are \$7,794,098.35, and the total assets \$8,220,530.45, showing gains of \$905,450.05, and \$937,372.05 respectively. The funds are being invested in the same classes of securities as heretofore, principally in Mortgage loans on farm and city properties, Bonds and Municipal Debentures. The latter are taken into account at their book value or cost, which is considerably below their market value. The demand for money was active during the year, at better rates than for some years past, resulting in a slight advance in the rate of interest earned, viz., 5.09 per cent. Payments on mortgages for interest and instalments of principal were well met, though in the case of our Manitoba loans they were not quite as satisfactory as in former years, due to the partial failure of the wheat crop. The interest and rents overdue at the close of the year were but a small portion of the receipts, being only \$13,740.19, most of which has since been paid.

LIABILITIES.—The liabilities were again computed on the Combined Experience Table with 4 per cent. interest for all business up to January 1, 1900. From that date to January 1, 1903, on the Institute of Actuaries' Table with 3 1-2 per cent., and thereafter on the same Table with 3 per cent.

SURPLUS.—After making provision for all liabilities the surplus on our own standard is \$772,072.87, being an increase of \$170,920.20 over 1903, and this after distributing amongst Policy-holders \$83,183.40. On the Government standard of reserves, namely, 4 1-2 per cent. for business to January 1, 1900, and 3 1-2 per cent. thereafter, our Surplus is \$1,049,400.71. The earnings for the year were \$254,100.60.

On behalf of the Board.

The various reports having been adopted, the retiring directors, Right Hon. Sir Wilfrid Laurier, A. Hoskin, Esq., K.C.; Hon. Mr. Justice Garrow, and E. P. Clement, Esq., K.C., were unanimously re-elected. After a number of able and thoughtful addresses had been made by members of the Board, prominent Policy-holders, the Manager, the Agents and others, the meeting adjourned.

The Directors met subsequently and re-elected Mr. Robert Melvin, President; Mr. Alfred Hoskins, K.C., First Vice-President; and the Hon. Mr. Justice Britton, Second Vice-President of the Company for the ensuing year.

(Booklets containing full report, comprising lists of death and endowment claims paid, of securities held, and other interesting and instructive particulars are being issued and will in due course be distributed among policy-holders and intending insurers.)

Waterloo, March 2, 1905.

ROBERT MELVIN, President.

WILFRID LAURIER, A. HOSKIN, Esq., K.C.,

HON. MR. JUSTICE GARROW, and E. P. CLEMENT, Esq., K.C.,

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Waterloo, March 2, 1905.

W. H. RIDDELL, Secretary.

W. L. LEE, GENERAL AGENT, GUARDIAN BUILDING, MONTREAL.