

# Confederation Life.

## EIGHTEENTH ANNUAL MEETING.

The Eighteenth Annual Meeting of the above Association was held at the Head Office, Toronto, on the 25th ult., the President, Sir W. P. Howland, occupying the chair, and Mr. J. K. Macdonald acting as secretary.

The following report was submitted:

The Eighteenth Annual Report of the Association affords evidence of substantial progress which cannot fail to be satisfactory to the policy-holders and shareholders. Your Board has continued the policy of contenting itself with a moderate volume of new business, rather than seeking a greater amount at a largely increased cost. Your Directors believe this to be the wisest policy, and one which in the not distant future will result most satisfactorily to the Company.

There were received during the year 1,659 applications, for a total assurance of \$2,440,350. Of these 1,534 for \$2,314,854 were accepted, and the balance were either declined or withdrawn. There were 51 policies for \$81,050 revived, making the new business 1,635 policies for an assurance of \$2,300,500. The total business in force at the close of the year was \$17,711,404 under 11,000 policies, covering 10,183 lives.

The death claims continue to show a careful selection in the admission of members. There were 70 deaths under 75 policies, calling for the sum of \$132,234.52 including \$3,811 bonus profits.

The income for the year has been very satisfactory, showing a most gratifying increase in both premiums and interest. A change in the mode of dealing with interest and rents in the present statement, by which repairs, taxes, etc., for the year have been deducted, shows, as compared with the previous year, an increase less by nearly \$0,000 than was actually made. It is gratifying to notice that our interest account has again exceeded the losses by death, which enables your Board to repeat the statement made in the last report, that from the inception of the Company the income received from investments has been more than sufficient to pay the death claims.

The Financial Statements herewith submitted exhibit in a clear and simple form the Company's condition.

Considerable progress has been made in the matter of the new Head Office building on the site purchased by the Company, referred to in the report for 1888. It is deemed it wise and fair to ask for competitive designs, a course which, while it did not exclude foreign architects, afforded the profession in Canada an opportunity to display its skill. Four substantial prizes were offered for the four best designs. Eighteen sets of plans were sent in, and from these the selection was made. The plans which obtained the first place were those of Messrs. Knox, Elliott & Jarvis, of Toronto, and while the estimated cost came within the limit fixed by your Board, their design will give a handsome structure, conveniently and economically arranged, that will compare favorably with the best buildings in the city.

Your Board availed itself of an opportunity to purchase a valuable and prominently situated property on Main street, Winnipeg, at a favorable price. The building, a substantial brick, has been largely remodelled internally, and in addition to affording a good office, suited to the large and growing business of the Association in Manitoba and the North-west, will yield a handsome interest return on the investment. Your Board deemed it wise, in view of the purchases of property in Toronto, and the erection of the proposed Head Office building, to apply to the Dominion Parliament for an amendment to the Act of Incorporation, to increase the limit in the annual value of property held by the Association and acquired by direct purchase in the Province of Ontario, also to vary or reduce the number of Directors on the General Board to not less than ten, to limit the number of shares of the capital stock which may be held by any one person, and to purchase ground rents. A bill affecting these purposes was introduced, and has passed the House of Commons and will no doubt become law in due course.

It affords your Directors great pleasure to refer to the continued faithfulness and efficiency of the Agency and Office Staffs.

J. K. MACDONALD, Managing Director.

W. P. HOWLAND, President.

TORONTO, March 18, 1890.

## FINANCIAL STATEMENT.

RECEIPTS.		DISBURSEMENTS.	
Net Ledger Assets carried forward from 1888.....	\$2,364,015 82	Expenses (Salaries and Commissions, Agents, Doctors, Solicitors, etc) .....	\$119,030 6
Real Estate Accretion .....	\$ 8,094 51	Reinsurance Premiums .....	5,802 5
Less Furniture (10 per cent. written off) .....	294 93	Annuities .....	4,419 7
	8,409 58	Commissions on Loans.....	2,143 9
	\$2,373,025 40	Rents .....	2,842 3
Premiums .....	\$501,293 34	Taxes .....	1,500 0
Annuities .....	24,642 38	Insurance Superintendence .....	632 0
	585,935 72		
Interest and Rents.....	\$142,030 83	<b>TO POLICY HOLDERS.</b>	
Less Repairs and Taxes .....	5,993 24	Death Claims.....	\$120,774 52
	130,037 64	Endowment Claims.....	3,366 00
		Survived Policies .....	33,985 77
		Dividends .....	35,271 72
		Temporary Reductions.....	34,152 92
		Dividends to Stockholders and Civic Tax.....	253,550 81
		Balance to New Account .....	12,133 2
			2,713,533 2
	\$3,094,998 70		\$3,094,998 70

## BALANCE SHEET.

ASSETS.		LIABILITIES.	
Mortgages.....	\$1,712,763 92	Assurance and Annuity Funds.....	\$2,519,920 00
Debentures .....	207,465 93	Losses by Death, accrued .....	18,708 5
Real Estate .....	443,465 12	Fees—Doctors and Directors .....	7,361 5
Loans on Stocks and Debentures .....	82,512 82	Rent .....	350 00
Government Stock and Deposit .....	4,752 90	Held to cover cost of collecting premiums outstanding and deferred on December 31st, 1889.....	10,911 5
Loans on Company's policies .....	159,016 99	Capital Stock paid up.....	100,000 00
Fire Premiums due from Mortgagees .....	2,672 20	Dividend due January 1st, 1890.....	7,000 00
Furniture .....	2,504 43	Surplus .....	220,248 66
Loans to agents and employees on security of salary or commissions .....	350 00		
Advances to travelling agents .....	1,271 51	Surplus above all Liabilities .....	\$230,248 66
Agents' Balances .....	860 75	Capital Stock paid up as above.....	100,000 00
Sundry Current Accounts .....	335 24	Capital Stock Subscribed not called in.....	900,000 00
Cash in Banks .....	95,082 22		
Cash at Head Office.....	803 87	<b>Total Surplus Security for Policyholders. .</b>	<b>\$1,230,248 66</b>
	\$2,714,003 20		
Less Liabilities (current accounts) .....	104 47		
	\$2,713,838 73		
Premiums in course of collection (reserve thereon included in liabilities) of this the sum of \$44,077.42 is covered by short date notes .....	84,069 91		
Quarterly and Half-Yearly Premiums on existing policies due subsequent to December 31st, 1889 (reserve thereon included in liabilities) .....	25,042 68		
Interest due and accrued .....	66,404 02		
Difference between cost and market value of debentures .....	5,057 07		
<b>Total Assets .....</b>	<b>\$2,894,502 41</b>		

J. K. MACDONALD, Managing Director.

## AUDITORS REPORTS.

I hereby certify that I, with my late co-auditor, have audited the Books of the Association for the year ending 31st December, 1889, and have examined the Vouchers connected therewith, and that the above Financial statements agreed with the Books and are correct.

We also examined the securities represented in the assets, which are safely kept in the Association's vault (excepting the securities lodged with the Dominion Government amounting to \$81,147.72, par value) and found them in good order.

Toronto, 18th March, 1890.

Inasmuch as only one of the Auditors for 1889 had certified to the statements, it was deemed wise to have the Books, etc., re-audited, which was done by Mr. W. E. Watson whose certificate is as follows:—

I have carefully examined the Books of the Association for the year ending 31st of December, 1889, and beg to report as follows: The Ledgers, Journals and Cash Books of the Association have been accurately and neatly kept. I have examined every account for the year in each Ledger, and also the Journals and Cash Books, and find that all have been checked as to posting by your Auditors. The balances for each Ledger, in books kept for this purpose, I have also examined and find to be correct, and each item has been checked by your Auditors, and these balances correspond with the Annual Statement submitted to your Shareholders.

Toronto, 9th April, 1890.

The whole matter was also submitted for expert opinion to Messrs. Clarkson & Cross, who, after strict scrutiny, made a compendious report, from which the following is quoted:—

"After weighing the whole evidence, we conclude that the certificate of Mr. W. R. Harris to the Annual Statement is, and ought to be, accepted as sufficient.

On motion of the Chairman, seconded by Wm. Elliot, Esq., the report was adopted, and after the customary motions of thanks, Messrs. W. R. Harris and Wm. E. Watson were appointed Auditors for the current year, and the following gentlemen were elected Directors: Sir W. P. Howland, Wm. Elliot, Edward Hooper, W. H. Beatty, Hon. J. E. Young, N. P. Ryan, S. Nordheimer, W. H. Gibbs, A. McLean Howard, J. D. Edgar, Walter S. Lee, A. L. Gooderham, W. D. Matthews, George Mitchell (Halifax, N. S.), and J. K. Macdonald. The meeting then dissolved.

At a meeting of the newly-elected Board, held after the termination of the Annual Meeting, Sir W. P. Howland was re-elected President and Messrs. Wm. Elliot and Hooper Vice-Presidents.