

THE LONDON LIFE INSURANCE COMPANY

Head Office London, Canada

FORTY-THIRD ANNUAL REPORT SHOWS WONDERFUL PROGRESS DURING 1917.

Business Written - \$15,703,593.10. A Gain of - \$2,667,647.30
Business in Force - \$50,787,365.64. A Gain of - \$9,072,048.23

Lapse Ratio and Expense Ratio reduced in both Departments.
Quinquennial Profit Distributions for 1918, 155% of Estimates.

SYNOPSIS OF FINANCIAL STATEMENT.

REVENUE ACCOUNT.

RECEIPTS.		DISBURSEMENTS.	
Total Premium Income.....	\$1,908,100.62	Paid Policyholders or Heirs.....	\$ 646,726.30
Interest on Investments.....	474,524.13	All other Disbursements.....	716,995.57
Items in Suspense.....	2,472.93	Balance to Investment Account.....	1,021,375.81
	<u>\$2,385,097.68</u>		<u>\$2,385,097.68</u>

BALANCE SHEET.

ASSETS.		LIABILITIES.	
Mortgages, Debentures and Stocks.....	\$6,798,746.83	Policy and Annuity Reserves.....	\$7,270,186.00
Loans on Policies and other Invested Assets	852,582.61	Accumulating and Accruing Profits.....	224,974.00
Outstanding and Deferred Premiums, Net..	223,578.27	Investment Reserve and Other Liabilities..	249,883.64
Interest Due and Accrued.....	175,361.48	Surplus on Policyholders' Account.....	305,225.55
	<u>\$8,050,269.19</u>		<u>\$8,050,269.19</u>

The Annual Report embraces the following particulars:

BUSINESS.

The gain in amount of New Business was over 20 per cent. The Business in Force has more than doubled in five years and more than quadrupled in ten years.

INCOME.

The Income shows a splendid gain of \$400,000, also over 20 per cent. of the Income in 1916.

EXPENSE RATE.

Both branches of the business again show a reduction in the expense ratio as compared with the previous year, which again was very favorable as compared with previous years.

ASSETS AND LIABILITIES.

All Bonds, Debentures and Stocks owned by the Company have been carried into the Statement at a figure considerably below the current market value. As usual, the Liabilities have been provided for in the most ample manner—the reserve basis being more stringent than that adopted by any similar Company in Canada or the United States. The Liabilities include full reserve for all profits accrued under participating policies to date of statement.

WAR CLAIMS.

Including the claims due to the Halifax Disaster, the War Claims of the year amounted to over \$200,000—which, it is anticipated, is the largest strain the Company will be under in this connection in any future calendar year. The total claims of the year were well within the expected.

PROFIT DISTRIBUTIONS.

The financial position of the Company is so strong that, notwithstanding the heavy war mortality, the liberal profit scale now in force is maintained and will give, during 1918, actual results 55 per cent. in excess of original estimates under present rates.

SURPLUS.

The Surplus, according to the Government Standard, has increased from \$834,642.58 at the beginning of the year to \$945,513.55 at the close of the year. After deducting the amount necessary to bring the Reserve to the Company's Standard and providing for other special funds, the Net Surplus on Policyholders' Account is \$305,225.55.