

ations were declined during the year in accordance with a strict rule of the company to exclude all lives presenting abnormal hazards. As a result of this careful management the company have been enabled, after paying the usual dividend to the stockholders, to distribute over \$25,000 to policyholders, of which \$12,526.34 went as profits, a large proportion of which was chosen to be applied in the reduction of premiums,—to add the large sum of \$263,215.65 to the assets—to reduce the expenditure by one and a half per cent, and to swell the surplus over all liabilities from \$112,322.86 to \$188,736.64, a surplus which might be further increased by over two hundred thousand dollars had the actuarial valuation been based on the Government standard. Apart from his active official duties, the Managing-Director has paid much personal attention to the proposed Life Assessment legislation in Ottawa, and in co-operation with other influential managers has left nothing undone to impress the Committee on Banking and Commerce with a comprehensive knowledge of the subject.

CONFEDERATION LIFE ASSOCIATION.

The Thirteenth Annual Meeting of the Confederation Life Association was held at the Head Office, Toronto Street, Toronto, on Tuesday, April 21st, 1885, at 2 p.m. There were present:—The Hon. Sir W. P. Howland, president; William Elliott, Esq., V.P.; Hon. James Young, Lieut-Col. MacPherson, Wm. Oldright, Esq., M.D.; Sergeant Wm. Starke, and Messrs. W. H. Beatty, E. Hooper, A. McLean Howard, C. E. Hooper, J. A. Paterson, Alfred L. Gooderham, H. J. Johnston, John Rose, C. N. Gorton, J. A. Barnhart, Thos. Bingham, Thos. Patterson, J. S. Huston, Thos. H. C. Cracken, I. Diamond, R. S. Baird, Geo. Gooderham, T. H. Monk, W. B. Campbell, J. C. Hamilton, C. Carpmal, Frank Arnoldi, Robert McLean, Henry Harper, Walter McGibbon, John Colebridge, Thomas Sanderson, J. Herbert Mason, W. H. Gibbs, T. C. Irving and John Langton.

After the usual formalities, the President presented the following report, which was unanimously adopted:

In again meeting the shareholders and policyholders of the Association in the annual meeting, your directors have unfeigned pleasure in being able to submit a report, which, in every particular, attests the continued growth and prosperity of the Association. It has been the happy lot of your board of directors to be able to submit in the past reports which have made it apparent that the Association was being each year more firmly established in the confidence of the insuring public; and your retiring directors feel that it cannot be otherwise than highly gratifying to all connected with the Association, to find that the report now laid before you exhibits in a marked degree evidences of solid progress unattained in any previous year. Considering the depressed state of trade which prevailed during the latter part of the year, and which had a marked effect on the business of life insurance, the volume of new business is most satisfactory. Your directors have had under consideration 1652 applications for a total insurance of \$2,622,822. Of these 1530 for \$2,408,392 were approved, and with ten revived cases for \$11,500.00, make the issue for the year 1510 policies, for a total

assurance of \$2,420,392.00. 122 applications for \$215,500.00, not being deemed desirable risks, were declined or withdrawn. The year closed with 8,051 policies for \$12,370,185.00 on 7,276 lives, on the books. The death claims for the year again attest the care exercised in admitting only healthy lives into the membership of the Association. There were 42 deaths, calling for the sum of \$60,526.60 under 50 policies; being \$13,428.15 less in amount than in 1883. The premium and interest income shows an increase over the previous year of \$49,806.77. The large sum of \$263,215.65 has been added to the assets; 759 new lives have been added to those insured at the close of 1883, and the expenses have fallen 1½ per cent. The financial statements, made up in the usual plain and simple manner, call for no special explanation. The balance sheet will not be found to contain any item of a doubtful nature, and shews the handsome surplus of \$188,736.64, over all liabilities. The auditors have faithfully discharged the duty laid upon them by the annual meeting, and the books and accounts have had their attention monthly. The actuary's report will shew that the practice of the Association in going beyond the requirements of the Government standard of valuation has been continued. It may be mentioned that if the valuation had been based on the Government Standard, the surplus would have been increased to over two hundred thousand dollars. It is with deep regret that your directors have to mention the removal by death of two old and highly esteemed members of the board, namely, the Hon. Isaac Burpee, M.P., and Fredk. A. Ball, Esq. The Board ordered a special minute to be recorded in respect to both of these gentlemen, and a copy of the same to be sent to the family, in each case. The Board takes pleasure in testifying to the continued faithful services rendered by the employees of the Association. All the members of the Board retire, but are eligible for re-election. It will also be necessary to elect two new directors in the place of the deceased members above referred to.

J. K. MACDONALD, Managing Director.

W. P. HOWLAND, President.

CASH STATEMENT.

RECEIPTS.

Dec. 31, 1883.	
Cash on hand and in Banks.....	\$ 54,920 52
<i>Revenue Items.</i>	
Dec. 31, 1884.	
Premiums.....	\$349,948 20
" Paid in Advance.....	580 19
Consideration for Annuities.....	4,500 00
Interest.....	71,437 00
Rent.....	1,452 72
Profit on sale of Real Estate.....	116 29

Repayment of Investments, etc.

Deposit to meet maturing Debentures.....	120 21
Loans on Policies.....	5,809 55
" Mortgages.....	42,593 81
" Stock.....	18,341 73
Special Loan on Bond.....	400 00
Sale of Real Estate.....	2,833 71
Debentures matured.....	2,805 60
Agents' Balances.....	593 72
Mortgagors' Repayment of Disbursements.....	2,454 33
Fire Loss, Erskine Church.....	16,015 00
From Sundry Sources.....	1,274 32
	<u>\$577,245 30</u>

EXPENDITURE.

Dec. 31, 1884.	
Expenses for year.....	\$81,730 36
Re-Insurance.....	4,990 60
Surrendered Policies.....	7,035 50
Death Claims.....	57,756 83
Matured Endowments.....	4,000 00

Dividends to Stockholders.....	8,000 00
Taxes on same.....	122 36
Annuities.....	1,717 30
Profits to Policyholders in cash.....	2,792 26
" in Reduction of Premiums.....	9,734 08
Commission on Loans.....	538 00
Rent.....	2,904 95
Taxes.....	404 75
Insurance Superintendence.....	323 07

Investments.

Mortgages.....	\$186,075 14
Real Estate.....	6,697 20
Loans on Policies.....	13,217 83
Loans on Stocks, etc.....	74,248 03
Debentures Purchased.....	35,500 00
Accrued Interest on same to date of Purchase.....	1,536 61
	<u>317,875 21</u>
Furniture.....	359 48
Disbursed for Mortgagors.....	4,234 99
Quebec Government Tax (in Suspense).....	890 00
Fire Loss, Erskine Church.....	14,760 03
Sundry Advances, etc.....	989 29
Cash on hand, \$61.84; in Banks, \$56,014.40.....	56,076 24
	<u>\$577,245 30</u>

BALANCE SHEET.

Assets.

Dec. 31st, 1884.	
Debentures (Par Value).....	\$126,579 00
Mortgages.....	261,690 41
Real Estate.....	24,801 68
Loans on Stocks.....	63,797 56
Govt. 5 per cent Stock and Savings Bank Deposit.....	4,616 10
Loans on Company's Policies.....	30,775 31
Agents' Bal., \$456.65 less written off as bad, \$59.17.....	397 48
Quebec Government Tax (in Suspense).....	890 00
Sundry Accounts.....	1,114 76
Furniture, \$2,591.28, less 10 per cent. written off for year, \$259.12.....	2,332 16
Disbursements repayable by Mortgagors.....	963 48
Cash on Hand.....	61 84
Cash in Banks.....	56,014 40
Premiums in course of collection (reserve thereon included in Liabilities), of this the sum of \$42,219.92 is covered by short-date notes.....	69,112 35
Quarterly and half-yearly premiums on existing policies due, subsequent to Dec. 31st, 1884 (Reserve thereon included in Liabilities).....	20,754 02
Interest due and accrued.....	46,043 48
	<u>\$1,415,944 03</u>

Liabilities.

Dec. 31st, 1884.	
Assurance Fund (including bonus additions).....	\$1,097,770 29
Annuity Funds.....	13,180 60
	<u>\$1,110,950 89</u>
Less for Policies re-assured.....	18,053 87
	<u>\$1,092,897 02</u>
For Temporary Reductions.....	23,181 09
Lapsed Policies, value on surrender.....	1,962 69
	<u>\$1,118,041 00</u>
Loss by death, not due (since paid).....	11,594 09
Premiums paid in advance.....	580 19
Profits to Policyholders.....	918 38
All other accounts, including Medical Fees, Director's Fee, &c.....	6,305 12