

THE MUTUAL LIFE OF CANADA.

84th ANNUAL REPORT

Presented to the Annual Meeting of Policyholders, Thursday, March 3, 1904.

GENTLEMEN,—Your Directors respectfully submit for your consideration their report of the business for the year ended December 31st, 1903, with the Financial Statement duly audited.

We are pleased to inform you that, in all branches, the business was of a most gratifying character, and that the new business was largely in excess of that of any other year in the history of the Company. The Surplus earnings were such as enables us to continue the same very liberal scale of distribution to the Policyholders, as in the past. The death rate was slightly in advance of that of 1902, but still much below the expectation. The Lapses and Surrenders have been gradually decreasing for some time, and for the past year were comparatively moderate.

NEW AND OLD BUSINESS.—The applications received for new business were 3,518 for \$5,173,112, of which 47 for \$72,500 were declined. The Policies issued were 3,333 for \$5,011,390, and the amount of insurance now in force is, \$37,587,551.58, under 25,730 policies, being an increase in amount of \$3,118,631.

INCOME.—The net premium income, less reinsurance, was \$1,254,986.47; Interest and Rents \$306,007.48; Profit and Loss \$76.08; Total Income \$1,561,070.03.

PAYMENTS TO POLICYHOLDERS.—The payments to Policyholders were: Death Claims \$253,586.95; Endowments \$122,587; Purchased Policies \$31,972.18; Surplus \$77,300.28; Annuities \$8,274.90; Total \$493,721.31. Expense Account \$282,728.43; Total Disbursements \$776,449.74. Excess of income over expenditure \$784,620.29.

The Cash Assets amount to \$6,882,953.83; the Total Assets are \$7,298,552.12, an increase over 1902 of \$838,772.04. **LIABILITIES.**—The total Liabilities are \$6,676,224.19, including the requisite reserve of \$6,617,714.89 for the security of Policyholders, computed at 4 per cent, 3½ per cent, and 3 per cent.

SURPLUS.—The Surplus of the Company's standard of valuation is \$616,633.46, and on Government standard \$878,466.00. The increase in Surplus is \$117,483.22.

During the year the demand for money was active, and the funds were fully invested, at a somewhat better rate of interest, and in a class of securities entirely outside anything of a hazardous or speculative character. The payments in Principal and Interest were unusually well met, there being only \$5,998 overdue interest at the close of the year, most of which has since been paid.

The Executive Committee examined all the securities, and compared them with the records, all of which were found correct, and in accordance with the statement herewith submitted.

The Manager, Officers and Staff continue to discharge their respective duties to the satisfaction of the Board. You will be called upon to elect four Directors, in the place of the Hon. Mr. Justice Britton, Francis C. Bruce, M.P., J. Kerr Fiskien and Geo. A. Somerville, whose term of office has expired, but all of whom are eligible for re-election.

On behalf of the Board,

ROBERT MELVIN, *President.*

FINANCIAL STATEMENT.

LEDGER ASSETS.

Dec. 31st, 1902... ..\$6,098,333 54

INCOME.

Premiums (net)... ..\$1,254,986 47
Interest and Rents... ..306 007 48
Profit and Loss... ..76 08
\$1,561,070 03
\$7,659,403 57

PAYMENTS TO POLICYHOLDERS.

Death Claims... ..\$253,586 95
Matured Endowments... ..122,587 00
Payments to Annuity... ..8,274 90
Purchased Policies... ..31,972 18
Surplus paid to Policyholders... ..77,300 28
\$493,721 31
All other payments... ..282,728 43
\$ 776,449 74
\$6,882,953 83

Audited and found correct.

J. M. SCULLY, F.C.A., } *Auditors.*
J. SCULLY, }

LEDGER ASSETS.

Debentures and Bonds, Account Value... ..\$2,643,334 07
Mortgages... ..3,331,019 12
Loans on Policies... ..792,833 08
Loans on Loan Company Stocks... ..10,000 00
Liens on Policies... ..31,988 02
Real Estate... ..46,504 85
" " Co.'s Head Office... ..21,032 61
All other items, including Cash in Banks and at H. O.6,242 08
\$6,882,953 83
Additional Assets... ..409,903 82

TOTAL ASSETS... ..\$7,292,857 65

LIABILITIES.

Reserve on Policies in force, 4 p.c., 3½ p.c. and 3 p.c.\$6,617,714 89
All other Liabilities... ..58,509 30
\$6,676,224 19
Surplus Company's Standard 4 p.c., 3½ p.c. and 3 p.c.\$616,633 46
Surplus Government Standard 4½ p.c. and 3½ p.c.\$878,465 67

GEO. WEGENAST,

Manager.

The growth of the Company during the past year may be seen in the following table:—

	1902.	1903.	Increase.
New Assurance...	\$ 4,627,878	\$ 5,011,390	\$ 483,512
Assurance in force...	34,468,920	37,587,551	3,118,631
Income...	1,391,098	1,561,070	169,971
Assets...	6,459,780	7,298,552	838,772
Surplus (Company's Standard)...	499,150	616,633	117,483