

Canada Life

54th Annual Report

The Year's Business. The number of Policies with first premiums actually paid for in cash during 1900 was 2899, representing assurances of \$6,397,943.33. This was \$868,242.58 larger than the new business paid for in the previous year. Of the above amount, \$4,515,510.33 represents the Canadian business. Coming now to business originating strictly within the past year, the number of applications received was 2,210, for \$5,108,354. The number of policies issued and revived was 2,170, and the amount of assurances granted (including new reversionary additions), was \$5,556,635.55. It is gratifying to be able to announce that a satisfactory increase in our business has been shown for the first two months of the current year over the corresponding period of the last and previous years. The total assurances now in force amount to \$81,039,083.

The Income. A substantial increase has taken place in our premium income, which amounted to \$2,951,687.33, or including considerations for annuities, to \$3,055,905.33. The income from interest amounted to the large sum of \$906,426.27. These figures exceed the highest point yet reached by the Company, both as to premiums and interest.

The Payments. For the first time in the Company's history, the claims by death exceeded the million dollar mark, the payments amounting to \$1,112,367.43, which, however, was well within the amount expected. Including bonus additions, the death claims and endowments paid amount to \$1,291,480.28, while the dividends to policy-holders reached the large sum of \$865,880.75.

The total payments to policy-holders and annuitants amounted to \$2,282,840.56.

Omitting all annuity transactions, the actual expenses of management for the year (including taxes and Government fees) amounted to 14.03 per cent. of the income from premiums and interest. This percentage is less than the corresponding one for the previous year. In this connection, a respectful protest should be entered against the unfair measure of taxation which life insurance companies are subjected to by some provincial and State enactments.

The Assets. Owing to the temporary stringency in the money market during the past year, little difficulty was experienced in securing desirable investments. The assets of the Company increased during the year by \$1,284,142.02, notwithstanding the large payments to policy-holders. The total assets now amount to \$22,648,204.08, being more than double the amount reported ten years ago.

The Liabilities. The valuation basis at present adopted is Actuaries 4 per cent. for old business, Hm. 3½ per cent for new bonus additions and annuities, and Hm. 3 per cent. for policies issued since 31st December, 1899. After providing for these liabilities and for the Special Reserve towards the new standard, as well as for all other liabilities to policy-holders, there remains a surplus on policy-holders' account of \$1,005,513.53. At 31st December last, the paid-up capital stood at \$883,900.00.

In view of the strength of the Ordinary and Special Reserves, and of the amount of surplus allotted at the recent Quinquennial Division, it is a matter of satisfaction that the Company is thus shown to be in such a strong and prosperous condition. The lapse of twelve months has only served to strengthen the opinion of the Directors as to the wisdom of the action taken a year ago in reference to the Reserve Fund.

A Retrospect and Forecast.

With a valuable accumulated experience of nearly 54 years; with a long established reputation for solidity, integrity and economy; with assets revalued and held upon a Conservative basis; with reserves largely in excess of Government requirements; with new plans of assurance and liberal policy contracts, the Company enters upon the new Century with renewed energy, and with resources and equipment requisite to meet the strain of a financial crisis, if it appears, or to reap the advantages of prosperous periods as they recur.

GEO. A. COX, President.

R. HILLS, Secretary.

Financial Abstract

As at 1st January, 1901

ASSETS		LIABILITIES	
Government, Municipal and other Bonds, Stocks and Debentures	\$10,050,041 10	Assurance Reserve Fund (Actuaries' 4% for all business prior to 1st of January, 1900; Hm. 3% for Policies issued since then, and Hm. 3½% for new bonus addition).....	\$20,559,839 00
Mortgages on Real Estate	3,841,383 23	Special Reserve towards 3½% basis.....	625,000 00
Loans on Bonds, Stocks, Policies, etc.....	5,964,883 99	Investment Reserve Fund.....	125,000 00
Real Estate (including Company's buildings in Toronto, Montreal and Hamilton).....	1,591,109 69	Other Liabilities except paid up Capital..	332,851 55
Premiums in Transit, deferred Premiums and Interest accrued	893,934 30	Surplus on Policyholders' Account	1,005,513 53
Other Assets (including cash in banks).....	306,851 77		
	\$22,648,204 08		\$22,648,204 08
RECEIPTS.		PAYMENTS.	
Net Premium and Annuity Income.....	\$ 3,055,905 33	Paid Policyholders and Annuitants.....	\$2,282,840 56
Interest	906,426 27	A other payments.....	653,451 83
Capital \$258,900.00; Suspense Items 5,910.31 ...	264,810 31		
	\$4,227,141 91		\$2,936,292 39

N. B.—A full report of the proceedings at the 54th Annual General Meeting of the Company is contained in the March [number of LIFE ECHOES, which will be sent by the Company or any of its Agents to any address on request.