

THE SUN LIFE ASSURANCE CO. OF CANADA.

The annual meeting of the shareholders of this Company was held at its offices in the Company's building, Notre Dame street, Montreal, on Friday, March 30, the President, Mr. Robertson Macaulay, in the chair. The following report was presented:

DIRECTORS' REPORT FOR 1893.

The directors have pleasure in presenting to the shareholders and policyholders the record of the transactions of the Company for the past year. The accompanying statements show that not only is its financial position eminently satisfactory, but that gains of a very substantial and gratifying character have been made in every department of the business.

During the year, 5,472 applications were received for life assurances to the amount of \$9,539,155.83. Of these, 5,213 for \$8,791,902.80 were accepted, and policies were issued therefor. The policies written were thus over \$800,000 in advance of those for 1892, and much beyond those secured by any other Canadian Company in any one year.

The number of policies in force at the closing of the books was 17,132, assuring \$27,799,756.51, being a net gain for the year of 2,414 in number and \$3,898,709.87 in amount.

During the past twelve months the Company has materially extended the area of its operations by opening branch offices in London, England, and elsewhere, and from these new fields it is expected that a steady and profitable business will hereafter be secured.

The financial statements hereto annexed give evidence of the rapid progress being made. The income from premiums, interest and rents amounted, after deducting re-assurances, to \$1,240,483.12, an increase for the twelve months of \$105,615.51. An addition of \$598,076.02 has also been made to the assets, bringing them up to \$4,001,776.90. The Company has thus been able to add to its accumulations more than fifty-five per cent. of the life premiums received during the year,—a fact which speaks for itself. The surplus also shows a substantial increase, and now amounts to \$288,595.65 over all liabilities and capital stock. This showing is specially gratifying in view of the fact that profits are now divided yearly on a large proportion of the Company's policies, and the undistributed surplus cannot therefore accumulate as rapidly as under the old system, when everything was reserved until the end of the quinquennial term.

The death claims which fell in during the year were 123, under 140 policies, and assuring, with bonus additions, \$263,167.92. In addition to these, 21 endowment assurances, for \$26,305.94, became payable by maturity.

The investments continue to receive careful attention, and the directors have pleasure in bearing testimony to their high quality. All securities of a fluctuating character, such as rail road stocks and bonds, bank stocks, etc., are studiously avoided. About eighty five per cent. of the invested assets consist of municipal debentures and first mortgages on real estate valued at considerably over six million dollars. The remainder comprises loans on the Company's own policies, the Company's head office building and minor items. The real estate held as the result of foreclosure is only \$81,023.67, or about two per cent. of the assets, and even this small amount has been decreasing year by year. And although the assets are thus in excellent condition, a substantial sum has nevertheless been written off to the credit of real estate and mortgage accounts as a precaution against any losses which may possibly arise in the future.

The return derived from these investments is as satisfactory as their security, the rate being 5.83 per cent. on the average realized assets.

With this year the Accident Department practically disappears from our books. As explained in the last report, the policies of this branch were re-assured in the Canada Accident Assurance Company as at 31st December, 1892, and hereafter the only accident premiums payable to the Company will be the small amount due under policies which combine life and accident under one contract, as this class was not covered by the re-assurance arrangements.

The directors would add, in conclusion, that while the past progress and present position of the Company are most gratifying to them, it is also true that there never was a time in its history when the outlook for the future was so encouraging.

The report of the Committee of the Board appointed to examine the securities is appended hereto, as also the usual certificate from the Auditors.

The directors who retire this year are Hon. A. W. Ogilvie, Mr. J. P. Cleghorn and Mr. Robert Anderson, all of whom are eligible for re-election.

T. B. MACAULAY, *Secretary.* R. MACAULAY, *President.*

A. W. OGILVIE, *Vice-President.*

Statement of Accounts for 1893.

INCOME.	
Prem's—Life, New....	\$369,612 10
Renewals. 690,515 42	
Annuities.....	\$1,060,127 52
Accident.....	17,930 00
	3,574 09
Total Premium Income....	\$1,081,631 61
Less paid for Re-assurances.....	2,060 13
Interest.....	1,079,571 48
Rents.....	152,511 66
	8,399 98
Total Income.....	\$1,240,483 12
DISBURSEMENTS.	
Death Claims, including Bonuses....	\$236,507 59
Matured Endowments, including Bonuses.....	29,629 94
Annuity Payments.....	2,185 28
Cash Profits paid Policy-holders.....	16,438 49
Cash paid for Bonuses surrendered..	15,797 80
Surrender Values.....	34,427 76
Accident Claims.....	8,426 39
	\$ 343,413 25
Dividends on Capital paid Jan. and July, 1893.....	9,375 00
Expense Account.....	195,152 29
Commissions.....	120,060 50
Medical Fees.....	22,651 08
	\$ 337,863 87
Total Disbursements.....	890,852 12
Surplus over Disbursements.....	549,831 00
	\$1,240,181 12
ASSETS.	
Municipal Debentures—Market value.....	\$582,102 59
Stock—Montreal Loan & Mortgage Co, market value.....	7,528 13
Loans on Real Estate, first mortgages.....	2,517,638 12
Loans on Bonds and Stocks.....	61,700 00
Real Estate, including Company's Building.....	256,023 67
Loans on Co.'s Policies (reserves on same, over \$500,000).....	227,785 17
Cash in banks and on hand.....	21,232 04
Office furniture.....	1,540 00
Agents' balances.....	6,266 97
Interest due.....	23,114 63
Interest accrued.....	72,860 56
Rents due and accrued.....	1,652 52
Outstanding Premiums on Policies in force (composed chiefly of amounts on which the days of grace are current).....	\$164,449 68
Deferred Premiums.....	82,546 24
	246,995 92
Less 10 per cent. for collection.....	24,699 59
(Secured by Policy Reserves, included in Liabilities, of over \$800,000).....	222,296 33
Sundry Accounts (petty cash, etc.)....	36 17
Net Assets.....	\$4,001,776 90
[Including uncalled Capital the Total Assets are \$4,439,276.90].	
LIABILITIES.	
Life Reserves (Institute of Actuaries Hm. table with 4½ per cent. interest, the Dominion Government Standard).....	\$3,504,210 82
Annuity Reserves.....	32,949 44
	\$3,537,160 26
Less Reserves on Policies re-assured..	3,895 69
	\$3,533,264 57
Death Claims (life) unpaid, reported but not proved, or awaiting discharge.....	49,932 92
Matured Endowments awaiting discharge ..	200 00
Unearned Accident Premiums.....	377 02
Profits due Policy holders.....	19,973 91
Sinking Fund deposited for maturing Debentures...	11,234 49
Dividend due 2nd January, 1894.....	4,687 50
Due Quebec Bank on account of Investments.....	17,000 00
Sundry Debts.....	14,010 84
Total Liabilities.....	\$3,650,681 25