

The Royal-Victoria Life Insurance Co.

Report of the Board of Directors and Financial Statement presented at the annual meeting, March 28, 1906, and unanimously adopted.

DIRECTORS' REPORT.

Your Directors beg to submit their report of the Company's business for the year ending December 31, 1905, together with the Financial Statement and the Auditors' Report.

NEW BUSINESS.—The new business for the year was represented by applications for \$1,254,325 of Insurance, being an increase of 35 per cent. over the previous year, of which amount \$1,121,775 was accepted and policies issued thereon, being an increase of 37 per cent. over the previous year.

BUSINESS IN FORCE.—The Insurance outstanding on the books of the Company at the end of the year amounted to \$4,630,610, yielding an average annual premium of \$32 per \$1,000 insurance.

PAYMENTS TO POLICYHOLDERS.—Claims by death under policies on 24 lives matured for \$41,000 during the year. The claims paid amounted to \$38,000, which included \$4,000 outstanding at the end of the previous year. The claims outstanding, in the course of settlement, at the end of the year amounted to \$7,500, and are included under liabilities in the financial statement.

The total payments to policyholders, including claims by death, annuities and surrender values, amounted to \$47,328, being an increase of \$4,723.63, or 11 per cent. over similar payments made in the previous year.

CASH INCOME.—The Cash Income of the Company from premiums and interest during the year reached \$160,308.65, being an increase of over \$10,000 more than in the previous year.

REDUCTION IN EXPENSES.—Notwithstanding that the new business of the year was 37 per cent. larger than in the previous year, the expenses to income show a further reduction of 5 per cent. over the year 1904.

INVESTMENTS.—The investments of the Company continue to be made with judgment and care, as shown by the fact that not only has the interest on each particular investment been promptly paid on the date due, but the class of securities and their marketable value make the investments in every instance most desirable.

THE BONDS AND DEBENTURES owned by the Company on the 31st of December last and deposited with the Dominion Government, amounted to \$267,172.60 market value, details of which are given in the financial statement. The loans on stocks and bonds, amounting to \$110,000, are secured by a marginal value over and above the amount loaned, of \$43,000.

Under the gradually improving conditions affecting Life Insurance in Canada, the Directors fully anticipate a still further increase in the new business of this Company for the year 1906.

All of which is respectfully submitted.

DAVID BURKE, General Manager.

JAMES CRATHERN, President.

FINANCIAL STATEMENT (For the Year Ending December 31, 1905.)

ASSETS.		LIABILITIES.	
Bonds and Debentures (all Canadian) owned by the Company	\$ 267,172 60	Assurance and Annuity Policy Reserves	\$ 440,241 43
Loans on Stocks and Bonds (market value, \$153,000)	110,000 00	Claims reported	7,500 00
Premiums outstanding and deferred (Reserves thereon, \$75,000)	48,357 12	Other liabilities	2,410 00
Loans on Policies (Reserves thereon, \$60,000)	31,305 22	Surplus security for Policyholders in excess of Policy Reserves	844,732 09
Accrued interest, office equipment, agency balances and sundry assets	17,748 78	(Including paid-up capital	\$200,000)
Cash in Banks and on hand	20,299 80		
	494,883 52		
Balance of subscribed capital	800,000 00		
	<u>\$1,294,883 52</u>		<u>\$1,294,883 52</u>
CASH INCOME.		DISBURSEMENTS.	
Premiums received in cash	\$ 144,055 27	Payments to Policyholders	\$ 47,328 40
Interest received in cash	16,253 38	Taxes, Government and Municipal	2,351 66
		Re-insurance premiums	5,463 34
		Commissions, Salaries, Medical Fees, Office Rents, etc.	48,819 67
		General Expenses	13,740 55
			117,703 62
		Balance	42,605 03
	<u>\$ 160,308 65</u>		<u>\$ 160,308 65</u>

Audited and found correct,

MACINTOSH & HYDE, C.A., Auditors.

DAVID BURKE, A.I.A., F.S.S., General Manager.

The retiring Directors were re-elected for three years; Mr. James Crathern was re-elected President; Hon. L. J. Forget and Hon. Robert Mackay were re-elected Vice-Presidents, and Dr. T. G. Roddick, Medical Director.