

cargo risks, written for the trip only, were almost entirely earned at the close of the year.

The report was adopted, and a vote of thanks was passed to the directors for their services.

Messrs. Fred. J. Stewart and John K. Niven having been appointed scrutineers, the election of directors to serve during the coming year was proceeded with, and resulted in the unanimous re-election of the old board, namely:—Messrs. A. M. Smith, George A. Cox, Hon. S. C. Wood, Robert Beatty, A. T. Fulton, Geo. McMurrich, H. N. Baird, W. R. Brock, and J. J. Kenny.

At a meeting of the board held subsequently, Mr. A. M. Smith was re-elected president and Mr. Geo. A. Cox vice-president for the ensuing year.

FEDERAL LIFE ASSURANCE COMPANY.

FINANCIAL STATEMENT FOR THE YEAR ENDING 31ST
DECEMBER, 1889.

Income.

Ledger Assets, January 1st, 1889.....		\$144,453 37
Capital Stock.....	\$ 195 00	
Premiums.....	\$218,710 05	
Less paid for re-insurance.....	9,927 41	
	\$208,782 64	
Interest.....	\$6,425 92	
Rents.....	54 00	6,479 92
		215,262 56
		215,457 56
Total Income.....		\$359,910 93

Disbursements.

Paid Claims by Death.....	\$113,550 00	
Less received for re-insurance.....	15,000 00	
	\$98,550 00	
Paid Dividends to Policyholders.....	65,668 50	
Paid Surrendered Policies..	604 78	
Total paid to policyholders.....		\$164,823 28
Paid Interest on paid-up Guarantee Capital.....		2,267 85
Paid for Commissions and Medical Fees.....	27,982 46	
Paid Salaries and Traveling Expenses.....	24,029 77	
Paid Rents, Advertising, Printing and General Expenses.....	9,517 53	
Total Expenses.....		61,529 76
Total Disbursements.....		\$228,620 89
		\$131,290 04

Assets.

Municipal Debentures and Bonds.....	\$56,432 33
First mortgages on real estate.....	34,141 00
Loans on Policies.....	3,339 87
Cash on hand and in banks.	26,543 51
Advances to agents (secured by liens).....	7,378 20
Agents' Ledger Balances...	1,950 68
Office furniture.....	1,442 00
Suspense account.....	62 45
	\$131,290 04

Net premiums deferred and in course of collection (10 per cent. deducted for collection).....	22,204 61
Interest Accrued.....	1,326 84
Difference between cost and market value of Debentures and Bonds.....	4,505 50
Short date notes for premiums.....	1,175 94
Re-insurance (since paid)...	8,000 00

Assets, January 1st, 1890...	\$168,552 93
Guarantee capital, subject to call.....	619,893 00
Total resources for security of policyholders.....	\$788,395 93
Reserve fund (including \$15,000 for claims waiting proofs).....	107,608 32
Surplus of Assets and Guarantee Capital for security of policyholders.....	\$680,787 61
Total amount of policies in force 31st December, 1889.....	\$10,829,837 46

JAMES H. BEATTY, President.

DAVID DEXTER, Managing Director.

WM. KERNS, M.P. } Vice-Presidents.
A. BURNS, L.L.D. }

The President and Directors of the Federal Life Assurance Company:

GENTLEMEN,—We beg to advise completion of the audit of the books of your company for the year ending 31st December last. The books, vouchers, etc., have been very carefully examined, and we have much pleasure in certifying to their accuracy. As usual, all assets of a doubtful character have been eliminated. The accompanying statement indicates the financial position of your company as at 31st December.

Respectfully submitted,

(Signed) H. STEPHENS, } Auditors.
SHERMAN B. TOWNSEND. }

March 4th, 1890.

Mr. James H. Beatty, President, moved the adoption of the report, and in so doing said: It affords me pleasure to refer to the large amount of assurances in force on the Company's books at the close of last year, viz., \$10,829,837.46, the results of operations covering a period of seven and a half years. I believe this to be a record much in advance of any other in life assurance in Canada, and one on which directors, shareholders and policyholders alike have good cause for gratification. Such a large amount of assurance on well-selected lives is a good foundation upon which to build from year to year a substantial and prosperous business. Though fluctuations in mortality, or in the average amounts of policies falling claims may and will occur, the operation of natural laws will in due course equalize such irregularities. The excess over the average policy of those under which losses occurred during the year caused a temporary encroachment upon capital, and although the surplus over reserves and other liabilities gave ample and more than the usual security to policyholders, certain of the directors have since contributed an amount more than sufficient to cover such impairment. Their only object in doing this was to give expression to their confidence in the present and future of the company that no person may be misled by the unfair and unjustifiable representations sometimes made by competitors for business. It is not necessary for me to call your attention to the income, increased reserves, and the large resources for security to policyholders shown in the report now in your hands; but I may add for your information that the business of the new year is of a satisfactory character, and the mortality lighter than for the corresponding months of last year.

Mr. Wm. Kerns, Vice-President, on seconding the adoption of the report, said: I can fully endorse what the President has