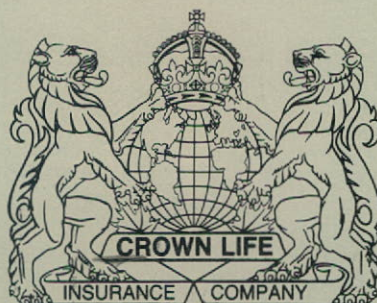


# Consolidated Financial Statements

## Year Ended December 31, 1980



HOWARD ROSS LIBRARY  
OF MANAGEMENT

FEB 12 1981

YALE UNIVERSITY



# Report of the Board of Directors

The Directors are pleased to present their eightieth annual report, together with the Consolidated Financial Statements showing the results of the Company's operations for the year ended December 31, 1980.

The Financial Statements consolidate the results of Crown Life Insurance Company and its wholly-owned subsidiaries, Crown Life Assurance Company Limited, Crown Life Pensions Limited (both United Kingdom life insurance companies), and Coronet Properties Limited (a Canadian real estate company).

The Financial Statements show, on an equity basis, the accounts of Datacrown Inc. — a computer services subsidiary company which is not consolidated as its accounts are not compatible with life insurance company accounting practices. Also shown on an equity basis is Crown Life (Caribbean) Limited — a non-consolidated life insurance subsidiary company, operating in Trinidad and Tobago. Trinidad residents own a substantial minority interest in this subsidiary.

## New Business

Total new life insurance business issued in 1980 was \$5.7 Billion — slightly ahead of the 1979 figure. Individual life sales exceeded \$2.7 Billion, compared to \$2.5 Billion in 1979 and Group life sales were more than \$2.9 Billion, about the same as in 1979.

First year and single premium income for Individual and Group annuities was \$110 Million, compared to \$98 Million in 1979 — up 12%.

First year premium income for Individual and Group health insurance policies totalled \$62 Million — an increase of 5% over the previous year.

## Business in Force

Total life insurance in force increased 4% during 1980, from \$32.2 Billion to \$33.4 Billion. Group life policies accounted for \$19.3 Billion in force, and Individual life policies for \$14.1 Billion. The termination of one large U.S. Group contract offset growth in other lines.

Liabilities under annuity contracts, including segregated fund annuities, in force at the end of 1980, totalled \$718 Million — an increase of 14% over the corresponding figure at the end of 1979.

Health insurance business in force grew during the year and generated total premiums of \$322 Million — 12% greater than the 1979 total of \$288 Million.

## Revenue

Total revenue for 1980 passed a major milestone, exceeding \$1 Billion for the first time, and was 17% greater than in 1979.

Total premium income increased to nearly \$795 Million, 12% greater than the total for 1979. A detailed exhibit showing sources of premium income for various lines of business and territories is included with the Financial Statements.

Net investment income on general funds, at \$188 Million, was up 34%, while total invested assets increased by 14%. The overall net yield rate was 9.77%, compared to 8.23% in 1979.

## Benefits and Expenses

Death and disability benefits amounted to \$113 Million — an increase of 8%, compared to the previous year.

Mortality experience for Individual policies in all territories was very favourable, showing a slight improvement overall compared to 1979. Mortality experience for Group policies was somewhat less favourable than in 1979.

Health insurance benefits, totalling \$281 Million, were 14% more than in 1979. Overall health insurance claim ratios improved slightly during 1980, but were still at unsatisfactory levels.

The total of amounts paid or credited to policyholders and beneficiaries was \$786 Million, an increase of 19% over the 1979 figure.

Total expenses were \$191 Million — an increase of 10% over the corresponding figure for 1979.

## Net Earnings for the Year

Earnings from consolidated insurance operations, before addition of net capital gains and earnings of non-consolidated subsidiaries, totalled \$34.1 Million and showed an increase of almost 24% over the previous year's figure.

Net realized capital gains on real estate, currency transactions and health account assets were \$2.2 Million in 1980, compared to \$13.7 Million in 1979. The 1979 figure included a large gain realized on the sale of one sizeable real estate investment.

Earnings figures for the non-consolidated subsidiary companies — Datacrown Inc. and Crown Life (Caribbean) Limited — exceeded \$1.9 Million in 1980, compared to \$270 Thousand in 1979; the 1980 results reflect significantly improved earnings of Datacrown Inc.



Total net earnings for the year were, therefore, \$38.3 Million, compared to the 1979 figure of \$41.5 Million.

In the participating section of the business, after \$21.5 Million of dividends were allotted to policyholders, and after a transfer of \$1.1 Million to the shareholders' account, total earnings were \$14.4 Million, including net capital gains of \$1.1 Million. The comparable figures in 1979 were total earnings of \$15.2 Million and net capital gains of \$9.1 Million.

In the non-participating section, including the shareholders' account, total earnings were \$23.9 Million, or \$11.93 per share, compared to the 1979 figure of \$26.3 Million, or \$13.17 per share. Included in the per share figures were net capital gains amounts of \$0.56 in 1980 and \$2.28 in 1979.

The non-participating and shareholders' earnings figures include the results of health insurance operations, which recorded an overall loss of more than \$7 Million in 1980. Poor morbidity ratios under Group coverages emerged in the United States in 1979 and continued during 1980.

During 1980, a number of special reinsurance agreements were arranged with other life insurance companies. The net effects of these agreements were a small improvement in earnings and the provision of additional surplus amounts which will help support expansion of sales activities in the future.

#### Foreign Currency Conversion

In these 1980 Financial Statements, following a long-established practice accepted by the Canadian regulatory

authorities, United States dollar items have been converted using the rate US\$1.00 equals C\$1.00. Sterling items have been converted using £1 equals C\$2.00. Because of the continued weakness of the Canadian dollar and the increasing percentage of Crown Life business which is in the United States and the United Kingdom, the Company began using rates of C\$1.15 and C\$2.50 respectively for transactions in United States dollars and Sterling, effective January 1, 1981. Had these rates been used previously, total earnings in the non-participating section, including the shareholders' account, would have been changed for 1980 from \$11.93 per share to approximately \$13.70 and for 1979 from \$13.17 per share to approximately \$15.70.

#### Assets and Liabilities

Total assets at the end of 1980 were \$2.33 Billion, having increased by \$297 Million, or nearly 15% during the year.

Liabilities under policy contracts amounted to \$1.87 Billion, compared to \$1.67 Billion at the end of 1979 — an increase of nearly 12%.

The total of reserves, surplus and share capital increased, in the aggregate, by \$33 Million to \$329 Million at the end of 1980. This total represents 14% of assets, providing a sound margin for the protection of policyholders. General surplus in insurance funds increased by \$65 Million to \$154 Million at the end of 1980. This was due, in part, to a change during 1980 in United States statutory liability requirements which resulted in a significant reduction in the reserve for non-Canadian additional statutory requirements.

#### Extendicare Ltd.

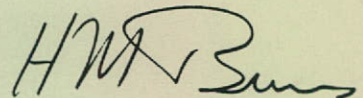
On October 8, 1980, Extendicare Ltd., a Canadian-owned health care company, acquired 699,750 shares of Crown Life — about 35% of the total number of shares — in exchange for convertible common shares issued by Extendicare to a group of eleven Crown Life shareholders. Mr. H. Michael Burns was appointed Chairman of the Board and Chief Executive Officer of Extendicare Ltd. Subsequently, through an exchange offer made to all Canadian shareholders of Crown Life, another 1,141,336 shares of Crown Life were acquired by Extendicare Ltd., resulting in its ownership of over 92% of the total number of Crown Life shares. We are confident that this new relationship will be beneficial to both companies.

#### General

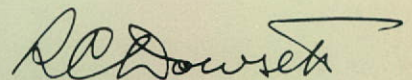
At the Board meeting immediately following the Annual Meeting in 1980, Mr. J.-Ubaldo Boyer, Mr. F.W. Hill, Mr. J.H. Mowbray Jones and The Honourable Clarence Wallace were re-appointed Honorary Directors.

The Directors wish to acknowledge the contribution made by the many talented people in our sales organizations, Home Office, Branch Offices and subsidiary companies. They achieved much during a highly active year and have once again shown their eagerness to face challenges.

#### On behalf of the Board



Chairman



President



# Consolidated Statement of Earnings

**Year Ended December 31, 1980**

**1980**

**1979**

## Revenue

\$000

Life insurance and annuity premiums .....	<b>472,486</b>	422,962
Health insurance premiums .....	<b>322,435</b>	288,383
Investment income, net of related expenses of \$6,458,000 (1979 \$5,225,000) ...	<b>188,277</b>	140,512
Segregated funds investment income .....	<b>13,201</b>	10,612
Special reinsurance received agreements .....	<b>13,800</b>	—
Other .....	<b>2,398</b>	1,749
	<b>1,012,597</b>	864,218

## Amounts paid or credited to policyholders and beneficiaries

Death and disability benefits .....	<b>113,555</b>	105,088
Health insurance benefits .....	<b>281,225</b>	245,926
Annuities .....	<b>26,391</b>	24,793
Maturities and surrenders of policies .....	<b>94,766</b>	74,598
Special reinsurance ceded agreements .....	<b>77,670</b>	—
Dividends to policyholders .....	<b>21,555</b>	19,964
Interest on amounts on deposit .....	<b>12,771</b>	9,005
Increase in amounts required to provide for unmatured obligations on policies in force .....	<b>144,319</b>	180,124
Increase in segregated fund liabilities .....	<b>14,185</b>	3,256
	<b>786,437</b>	662,754

## Expenses

Life insurance and annuity expenses .....	<b>118,920</b>	111,142
Health insurance expenses .....	<b>59,979</b>	50,869
Premium and other taxes .....	<b>12,575</b>	11,545
	<b>191,474</b>	173,556

## Earnings from consolidated insurance operations before income taxes .....

Income taxes .....	<b>34,686</b>	27,908
	<b>549</b>	326

## Earnings from consolidated insurance operations .....

Net capital gains .....	<b>34,137</b>	27,582
	<b>2,223</b>	13,698

## Earnings of non-consolidated subsidiary companies, after

income taxes of \$2,083,000 (1979 \$150,000) .....	<b>1,986</b>	270
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## Net earnings for the year .....

	<b>38,346</b>	41,550
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# Consolidated Statement of General Surplus

<b>Year Ended December 31, 1980</b>	<b>1980</b>	<b>1979</b>
	\$000	
General surplus in insurance funds, beginning of year	<b>88,774</b>	86,497
Net earnings for the year	<b>38,346</b>	41,550
Transfer from reserve for investment values and currency exchange	<b>8,500</b>	—
Transfer from reserve for non-Canadian additional statutory requirements	<b>29,075</b>	—
Transfer from reserve for specified contingencies	<b>3,400</b>	—
	<b>168,095</b>	128,047
Transfer to reserve for investment values and currency exchange	—	7,300
Transfer to reserve for excess of cash surrender values over policy contract liabilities	<b>4,335</b>	11,448
Transfer to reserve for non-Canadian additional statutory requirements	—	5,436
Transfer to reserve for Canadian additional statutory requirements	<b>800</b>	7,500
Transfer to reserve for value of miscellaneous assets	<b>4,047</b>	3,947
Dividends to shareholders	<b>4,800</b>	3,600
Increase in shareholders' account	<b>18</b>	42
	<b>14,000</b>	39,273
<b>General surplus in insurance funds, end of year</b>	<b>154,095</b>	88,774

## Analysis of Consolidated Net Earnings

<b>Year Ended December 31, 1980</b>	<b>Net earnings attributable to</b>							
	Total		Participating policyholders' account		Non-participating and shareholders' account		Statutory earnings per share	
	1980	1979	1980	1979	1980	1979	1980	1979
	\$000		\$000		\$000		\$	
Earnings from consolidated insurance operations before policyholders' dividends	<b>55,692</b>	47,546	<b>35,302</b>	26,963	<b>20,390</b>	20,583	<b>10.19</b>	10.29
Dividends to policyholders	<b>(21,555)</b>	(19,964)	<b>(21,555)</b>	(19,964)				
Transfer from participating account to shareholders' account			<b>(1,134)</b>	(1,051)	<b>1,134</b>	1,051	<b>.57</b>	.53
<b>Earnings from consolidated insurance operations</b>	<b>34,137</b>	27,582	<b>12,613</b>	5,948	<b>21,524</b>	21,634	<b>10.76</b>	10.82
Net capital gains	<b>2,223</b>	13,698	<b>1,094</b>	9,144	<b>1,129</b>	4,554	<b>.56</b>	2.28
Earnings of non-consolidated subsidiary companies	<b>1,986</b>	270	<b>774</b>	118	<b>1,212</b>	152	<b>.61</b>	.07
<b>Net earnings for the year</b>	<b>38,346</b>	41,550	<b>14,481</b>	15,210	<b>23,865</b>	26,340	<b>11.93</b>	13.17

Statutory earnings attributable to shareholders include a portion of the earnings of subsidiary companies, earnings of the non-participating life and health accounts, the shareholders' account and, as limited by law, the amount transferred from the participating policyholders' account to the shareholders' account. This transfer was based on 5% of distributed participating earnings.



# Consolidated Balance Sheet

## Assets

December 31, 1980

1980

1979

\$000

### Invested assets

Bonds .....	855,391	744,246
Shares .....	207,586	148,150
Mortgages on real estate .....	766,892	715,311
Real estate .....	64,473	62,133
Loans on policies, secured by cash values .....	184,731	152,035
Data processing equipment .....	1,380	2,415
Equity value of non-consolidated subsidiary companies .....	14,620	12,975
Bank certificates of deposit .....	25,538	18,763
Cash .....	6,737	9,275
Segregated investment funds .....	82,556	67,859
	<b>2,209,904</b>	<b>1,933,162</b>

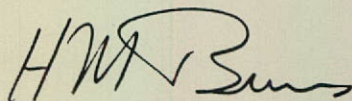
### Other assets

Outstanding premiums .....	50,507	46,534
Accrued interest .....	35,401	28,125
Recoverable advances to agents and general agents .....	17,347	14,207
Other .....	16,497	10,130
	<b>119,752</b>	<b>98,996</b>

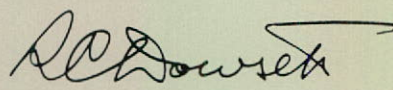
**2,329,656**

**2,032,158**

On behalf of the Board



Chairman



President



# Liabilities

December 31, 1980

1980

1979

\$000

## Liabilities under policy contracts

Amounts required, in addition to future premiums and interest, to provide for unmatured obligations under all policies in force .....	1,478,604	1,334,285
Policyholders' dividends and other amounts on deposit .....	89,365	76,556
Policy benefits in course of payment and provision for unpaid claims .....	202,742	178,795
Provision for next dividends payable to policyholders .....	16,898	16,292
Segregated fund liabilities .....	82,556	67,859
	1,870,165	1,673,787

## Other liabilities

Taxes payable .....	8,410	8,319
Bank indebtedness .....	16,535	12,603
Special reinsurance ceded agreements .....	70,498	—
Other .....	34,360	41,307
	129,803	62,229

## Reserves, surplus and share capital

Reserve for investment values and currency exchange .....	15,000	23,500
Reserve for excess of cash surrender values over policy contract liabilities .....	72,463	68,128
Reserve for non-Canadian additional statutory requirements .....	36,019	65,094
Reserve for Canadian additional statutory requirements .....	8,300	7,500
Reserve for specified contingencies .....	2,780	6,180
Reserve for general contingencies .....	12,000	12,000
Reserve for value of miscellaneous assets .....	25,379	21,332
Total reserves .....	171,941	203,734
General surplus in insurance funds .....	154,095	88,774
Share capital .....	2,000	2,000
Shareholders' account .....	1,652	1,634
	329,688	296,142
	2,329,656	2,032,158

The accompanying notes are an integral part of these Consolidated Financial Statements.



# Notes to Financial Statements

1. The accounting practices followed by the Company are prescribed or permitted by the Department of Insurance of Canada. The Company's significant accounting policies are as follows: —

- (i) Consolidated financial statements include the operations and financial position of the Company's subsidiaries listed below: —

- Crown Life Assurance Company Limited
  - Crown Life Pensions Limited
  - Crown Life Management Services Limited
  - Coronet Properties Limited.

Datacrown Inc., the computer services subsidiary, and its subsidiaries have been shown on an equity basis as their accounts are not compatible with the accounting practices prescribed or permitted under the Canadian and British Insurance Companies Act.

The accounts of Crown Life (Caribbean) Limited, a Trinidad and Tobago subsidiary life insurance company, have been shown on an equity basis due to requirements of that jurisdiction.

The values of assets and liabilities used to account for subsidiary companies are the values prescribed or permitted by legislation or regulation in the jurisdictions in which they are domiciled.

- (ii) The United States dollar items in these statements have been converted at \$1.00, a long established practice. Items in other foreign currencies have been translated into Canadian dollars at appropriate rates of exchange. If current rates of exchange had been used for all foreign currencies there would have been an increase in the reserves and surplus shown of \$25,093,000 (1979 \$11,212,000).
- (iii) The item investment income includes: —
  - (a) Interest, dividends and rents.
  - (b) With respect to assets held for the life insurance business, a portion of the difference between cost and market value of shares and a portion of gains and losses realized on disposal of bonds, shares and mortgages.
  - (c) With respect to the segregated investment funds and life insurance subsidiaries, all realized and unrealized capital gains and losses on invested assets.
- (iv) The item net capital gains includes currency exchange gains and capital gains and losses realized on the disposal of real estate and of the invested assets for the Company's health insurance business.
- (v) Income taxes are the aggregate of the amounts payable and recoverable based on the tax laws of each of the countries in which the Company does business. The provision is based on the taxes payable method which does not recognize the tax effect of timing differences between accounting earnings and taxable earnings.
- (vi) Asset valuations are as follows: —
  - (a) Bonds, at amortized cost; including, for life insurance business, the deferred portion of realized gains and losses on disposals.
  - (b) Shares, at cost; including, for life insurance business, a portion of the difference between cost and market, and the deferred portion of the realized gains and losses on disposals.
  - (c) Mortgages, at outstanding principal balances; including, for life insurance business, the deferred portion of realized gains and losses on disposals.
  - (d) Real estate, at cost less encumbrances and accumulated depreciation.
  - (e) Segregated investment funds, at market values.
  - (f) Data processing equipment, at cost less accumulated depreciation.
  - (g) Recoverable advances to agents and general agents, at amounts due less allowance for doubtful recoveries.
  - (h) Furniture, fixtures and equipment, which are included in other assets, at cost less accumulated depreciation.



(vii) Valuation of liabilities under policy contracts: —

- (a) Liabilities under policy contracts are the liabilities related to the payment after the valuation date of all matured and unmatured obligations under all policy contracts.
- (b) Liabilities under policy contracts are determined using assumptions appropriate to the circumstances of the Company and the policies in force. For life insurance business, the calculation assumes that the amount of acquisition expenses allowed by law is deferred and amortized over the premium paying period of the policies. For health insurance business, such expenses are capitalized and included in other assets.
- (c) When a policy provides for a cash surrender value higher than the amount held as a policy contract liability, surplus has been appropriated to provide a reserve for the difference.

2. The reserve for non-Canadian additional statutory requirements provides \$36,019,000 as an appropriation of surplus reflecting valuation requirements of non-Canadian jurisdictions for assets, liabilities and reserves where such requirements are different from the bases described in these notes.

3. The reserve for Canadian additional statutory requirements provides \$8,300,000 as a supplementary appropriation of surplus within the health insurance account.

4. The reserve for investment values and currency exchange provides \$37,674,000 for book values of invested assets in excess of prescribed market values, less \$22,674,000, the major portion of the net unrealized foreign exchange gains.

5. The reserve for specified contingencies provides \$2,780,000 as additional group health insurance reserves.

6. The reserve for value of miscellaneous assets is in respect of the Company and all of its subsidiaries, and includes: —  
\$17,347,000 recoverable advances to agents and general agents  
\$ 6,670,000 furniture and fixtures  
\$ 1,362,000 prepaid expenses and sundry receivables.

7. The Company and its subsidiaries maintain a number of pension plans for their eligible employees. It is estimated that at December 31, 1980 these plans have unfunded liabilities of \$5,483,000 (1979 \$5,401,000). These unfunded liabilities are being amortized generally over varying periods with a maximum period of fifteen years in accordance with applicable governing legislation. The payments towards the unfunded liabilities in 1980 amounted to \$745,000 (1979 \$680,000).

8. During the year: —

- (a) The Company leased real estate and data processing equipment to Datacrown Inc. for an annual rental of \$2,338,000 (1979 \$2,305,000)
- (b) The Company paid \$6,164,000 (1979 \$5,503,000) to Datacrown Inc. for computer services.

9. The share capital authorized, issued and fully paid is 2,000,000 shares, par value \$1 each.

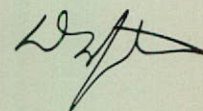


## Valuation Actuary's Report to the policyholders and shareholders

I have made the valuation of policy contract liabilities of Crown Life Insurance Company for its consolidated balance sheet as at December 31, 1980 and its consolidated statement of earnings for the year then ended. In my opinion, the valuation for Crown Life Insurance Company conforms to the Recommendations for Insurance Company Financial Reporting of the Canadian Institute of Actuaries.

In regard to the policy contract liabilities of the United Kingdom subsidiary insurance companies, I have relied upon the valuation made by the Appointed Actuary of the subsidiary companies.

In my opinion, the amount held for liabilities under policy contracts makes proper provision for the obligations payable in the future under the companies' policies, a proper charge on account of those liabilities has been made in the statement of earnings, and the amount of surplus reserved for the excess of cash surrender values over policy contract liabilities is proper.



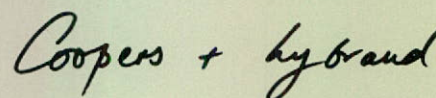
Toronto, Canada  
February 2, 1981

D.R. Johnston, F.S.A., F.C.I.A., M.A.A.A.  
Vice-President and Actuary

## Auditors' Report to the policyholders and shareholders

We have examined the consolidated balance sheet of Crown Life Insurance Company as at December 31, 1980 and the consolidated statements of earnings and general surplus and the analysis of consolidated net earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the Company as at December 31, 1980 and the results of its operations for the year then ended in accordance with accounting principles described in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.



Toronto, Canada  
February 2, 1981

COOPERS & LYBRAND  
Chartered Accountants



# Consolidated Summary of Premiums

Year Ended December 31, 1980		1980			1979	% Increase (Decrease)
		\$000			\$000	
	Canada	United States	United Kingdom & Other	Total	Total	
<b>Individual life insurance</b>						
First year .....	9,134	16,849	9,708	35,691	31,291	14
Single .....	929	2,930	20,571	24,430	23,072	6
Renewal .....	63,119	80,280	19,980	163,379	141,677	15
	73,182	100,059	50,259	223,500	196,040	14
<b>Group life insurance</b>						
First year .....	1,767	5,737	1,859	9,363	9,637	(3)
Renewal .....	25,813	38,286	10,013	74,112	75,889	(2)
	27,580	44,023	11,872	83,475	85,526	(2)
<b>Individual annuity</b>						
First year .....	1,901	3,124	2,211	7,236	5,728	26
Single .....	40,470	9,741	850	51,061	24,278	110
Renewal .....	3,759	3,228	3,193	10,180	8,240	24
	46,130	16,093	6,254	68,477	38,246	79
<b>Group annuity</b>						
First year .....	6,106	40,424	3,349	49,879	66,193	(25)
Single .....	542	43	1,407	1,992	2,085	(4)
Renewal .....	20,692	14,556	9,915	45,163	34,872	30
	27,340	55,023	14,671	97,034	103,150	(6)
<b>Health insurance</b>						
First year .....	4,555	53,178	4,468	62,201	59,071	5
Renewal .....	63,436	173,135	23,663	260,234	229,312	13
	67,991	226,313	28,131	322,435	288,383	12
<b>Total premiums</b> .....	<b>242,223</b>	<b>441,511</b>	<b>111,187</b>	<b>794,921</b>	<b>711,345</b>	<b>12</b>



# Summary of Growth

	1980*	1979*	1978*	1977	1976	1970
<b>Revenue</b>	\$000					
Life insurance premiums .....	306,975	281,566	242,742	223,664	200,058	99,214
Annuity premiums .....	165,511	141,396	110,528	93,202	56,995	26,939
Health insurance premiums .....	322,435	288,383	237,610	195,727	156,805	34,431
Investment and other income* .....	217,676	152,873	124,135	109,067	87,951	43,036
	1,012,597	864,218	715,015	621,660	501,809	204,272
<b>Amounts paid or credited and expenses</b>						
Life insurance and annuity amounts* ..	477,387	393,397	333,187	299,446	232,756	127,742
Health insurance amounts .....	287,495	249,394	195,099	164,665	135,368	29,861
Dividends to policyholders* .....	21,555	19,964	15,182	15,320	14,565	9,908
Life insurance and annuity expenses* ..	118,920	111,142	93,012	86,737	78,981	37,851
Health insurance expenses* .....	59,979	50,869	38,952	33,653	27,423	5,671
<b>Taxes</b>						
Income taxes .....	2,632	476	1,270	1,640	(495)	2,971
Premium and other taxes .....	12,575	11,545	10,277	10,266	8,061	2,344
	15,207	12,021	11,547	11,906	7,566	5,910
<b>Total net earnings after taxes*</b> .....	38,346	41,550	35,267	10,830	7,269	(2,762)
<b>Dividends to shareholders</b> .....	4,800	3,600	2,870	2,640	2,450	1,200
<b>Total assets*</b> .....	2,329,656	2,032,158	1,763,380	1,556,741	1,345,264	743,334
<b>Reserves, surplus and share capital</b>						
Participating reserves* .....	28,780	33,433	43,181	13,017	10,012	5,342
Participating general surplus* .....	82,907	63,773	38,816	15,085	10,534	24,230
Non-participating reserves* .....	143,161	170,301	124,922	23,087	23,007	14,538
Non-participating general surplus* .....	71,188	25,001	47,681	57,436	58,181	37,070
Shareholders' capital and surplus .....	3,652	3,634	3,592	3,569	3,533	3,364
	329,688	296,142	258,192	112,194	105,267	84,544
<b>New business</b>						
Individual life amounts .....	2,763,881	2,577,689	2,359,712	2,163,758	1,823,361	818,623
Group life amounts .....	2,947,890	2,965,838	3,139,584	2,518,358	2,325,021	758,568
	5,711,771	5,543,527	5,499,296	4,682,116	4,148,382	1,577,191
Annuity premiums, first year and single ..	110,168	98,284	64,422	61,603	27,429	19,689
Health premiums, first year .....	62,201	59,071	47,244	43,891	33,556	8,494
<b>Business in force</b>						
Individual life amounts .....	14,129,429	12,765,560	11,640,844	10,308,988	9,002,778	4,293,664
Group life amounts .....	19,327,193	19,444,369	16,872,868	14,540,644	12,562,792	3,367,221
	33,456,622	32,209,929	28,513,712	24,849,632	21,565,570	7,660,885
Annuity liabilities* .....	718,265	628,990	514,092	453,609	366,705	159,132
Health total premiums .....	322,435	288,383	237,610	195,727	156,805	34,431
<b>Number of office staff</b> .....	3,177	3,166	3,042	2,961	2,870	1,843
<b>Number of sales offices</b> .....	240	229	221	217	216	204

\*Revisions in accounting practices distort comparison with pre-1978 figures.