

91st Annual Report of  
The Great-West Life Assurance Company

1982 DIRECTORS' REPORT  
& FINANCIAL STATEMENTS

HOWARD COUNTY LIBRARY  
300 N. MARKET STREET  
P.O. BOX 100  
ELLSWORTH, MD 21110



## Contents

---

Board of Directors	2
Directors' Report	3
Comparative Highlights	7
Summary of Operations	8
Statement of Surplus	9
Balance Sheet	10
Notes to 1982 Financial Statements	12
Valuation Actuary's Certificate	15
Auditors' Report	16
Executive Officers	17
Great-West Life Offices	18
Transfer Agent and Registrar Offices	20

# Board of Directors

---

## Chairman of the Board

J.W. Burns\*

*President*

Power Corporation of Canada

## President and Chief Executive Officer

K.P. Kavanagh\*

## Chairman of the Executive Committee

Peter D. Curry\*

*Deputy Chairman*

Power Corporation of Canada

## Directors

W.M. Auld\*\*

*Deputy Chairman*

Bristol Aerospace Limited

Marcel Bélanger, O.C., C.A.\*\*

*President*

Gagnon et Bélanger, Inc.

Dr. Walter Curlook

*Executive Vice-President*

Inco Ltd.

Paul Desmarais, O.C.

*Chairman of the Board and*

*Chief Executive Officer*

Power Corporation of Canada

R.G. Graham\*

*President*

Inter-City Gas Corporation

C.H. Hollenberg, M.D.\*

*Professor of Medicine*

University of Toronto

R.O.A. Hunter\*

*Company Director*

R.H. Jones\*

*Chairman of the Board and*

*Chief Executive Officer*

The Investors Group

John A. Love\*\*

*Chairman of the Board and*

*Chief Executive Officer*

Ideal Basic Industries, Inc.

J. Blair MacAulay\*

*Partner*

Fraser & Beatty

A.V. Mauro, Q.C.

*President*

The Investors Group

J.E.A. Nickerson

*Chairman of the Board*

H.B. Nickerson & Sons Limited

Paul Britton Paine, Q.C.\*

*Vice-Chairman*

Power Corporation of Canada

A.M. Runciman\*\*

*Company Director*

A.L. Simkin, Q.C.

*Senior Partner*

Simkin, Gallagher

Ross J. Turner

*Chairman of the Board and*

*Chief Executive Officer*

Genstar Corporation

\* Member of the Executive Committee

\*\* Member of the Audit Committee

## Directors' Report

The year 1982 was marked by a generally improving trend in total sales. The persistence of volatility in interest rates and a high level of inflation in the health care field in the United States, however, placed continued pressure on earnings. The results for the year reflect United States dollar transactions converted at \$1.15 Canadian and 1981 operating results have been restated for comparative purposes.

### Sales

Sales of life insurance, measured by the amount of protection provided, amounted to \$11,777,218,000, an increase of 21% over the record established in 1981. Of this total, Canada accounted for 49% while the United States represented 51%. Annuity sales of \$785,504,000 of revenue premiums were up 23%. Of this, Canada represented 52% of the total with 48% originating in the United States. Health insurance sales, expressed in terms of gross annual premiums, totalled \$211,021,000, up 21% over 1981 with Canada representing 20% of this amount and the United States, 80%.

### Canada

Sales of individual life insurance policies amounted to \$1,975,922,000, a decrease of 6% from 1981. Gains were registered in whole life sales with an allied decline in term life sales. Sales of individual annuities represented by premiums of \$150,148,000 attained virtually the same level as in the previous year.

Group life insurance sales of \$3,810,819,000 were up 76%, while group annuities of \$265,344,000 of revenue premiums increased by 34%. Group health insurance sales of \$41,875,000 of annualized premiums were up 4%.

	Individual Products (000)	Group Products (000)	Total (000)
Life Insurance (face amount)	\$ 1,975,922	\$ 3,810,819	\$ 5,786,741
Annuities (revenue premiums)	\$ 150,148	\$ 265,334	\$ 415,482
Health Insurance (annualized premiums)	\$ 4,751	\$ 41,875	\$ 46,626

### United States

Sales of individual life insurance policies, with the emphasis on non-participating term products, increased \$2,069,920,000, up 84%, while individual annuities amounted to \$5,092,000 of revenue premiums, down 70% from the previous year.

Sales of group life insurance products amounted to \$3,920,557,000, down 11% from the previous year. Group annuity at \$364,930,000 of revenue premiums were up 39% and health insurance at \$163,130,000 of annualized premiums recorded an increase of 28%.

	Individual Products (000)	Group Products (000)	Total (000)
Life Insurance (face amount)	\$ 2,069,920	\$ 3,920,557	\$ 5,990,477
Annuities (revenue premiums)	\$ 5,092	\$ 364,930	\$ 370,022
Health Insurance (annualized premiums)	\$ 1,265	\$ 163,130	\$ 164,395

## Business In Force

Life insurance business in force increased 10% to \$74,874,206,000 of which 59% was in Canada and 41% in the United States. Annuity business in force measured by the value of funds held totalled \$4,124,866,000, up 22% with Canada representing 55% and the United States 45%. Health insurance in force, in terms of gross annual premiums, increased \$106,907,000, 14% over the previous year, and totalled \$888,062,000 at December 31 with 37% and 63% in Canada and the United States respectively.

### Canada

	Individual Products (000)	Group Products (000)	Total (000)
Life Insurance (face amount)	\$ 8,970,450	\$ 34,931,838	\$ 43,902,288
Annuities (funds held)	\$ 687,783	\$ 1,574,788	\$ 2,262,571
Health Insurance (annualized premiums)	\$ 18,970	\$ 309,766	\$ 328,736

### United States

	Individual Products (000)	Group Products (000)	Total (000)
Life Insurance (face amount)	\$ 7,579,701	\$ 23,392,217	\$ 30,971,918
Annuities (funds held)	\$ 395,930	\$ 1,466,365	\$ 1,862,295
Health Insurance (annualized premiums)	\$ 6,668	\$ 552,658	\$ 559,326

## Premium Income

Premium income recorded in 1982 amounted to \$1,708,437,000, an increase of \$160,063,000 or 10%. Of this total, one half came from Canada and

one half from the United States. In terms of premium income from new business, Canada and the United States accounted for 59% and 41% respectively.

### Canada

Individual Products	Sources of 1982 Premium Income		
	First Year (000)	Single (000)	Renewal (000)
Life Insurance	\$ 13,890	\$ 17,490	\$ 63,758
Annuities	23	139,991	10,134
Health Insurance	4,576	—	13,527
Total Premiums	\$ 18,489	\$ 157,481	\$ 87,419

### Group Products

Life Insurance	\$ 6,367	\$ 5,694	\$ 92,011
Annuities	6,576	43,152	215,606
Health Insurance	23,090	—	206,184
Total Premiums	\$ 36,033	\$ 48,846	\$ 513,801

### United States

Individual Products	Sources of 1982 Premium Income		
	First Year (000)	Single (000)	Renewal (000)
Life Insurance	\$ 13,414	\$ 7,554	\$ 73,256
Annuities	1,075	2,689	1,327
Health Insurance	2,098	—	5,233
Total Premiums	\$ 16,587	\$ 10,243	\$ 79,816

  

Group Products	First Year (000)	Single (000)	Renewal (000)
Life Insurance	\$ 7,121	\$ 3,779	\$ 66,070
Annuities	18,012	69,738	277,181
Health Insurance	51,995	—	245,826
Total Premiums	\$ 77,128	\$ 73,517	\$ 589,077

---

## Investment Income

With investible funds up significantly from the level of 1981, net investment income increased to \$619,237,000, representing a 14% increase over the previous year.

Total funds available for investment, including repayments of principal on mortgage and bond investments made in previous years, amounted to \$1,237,000,000 compared with \$895,000,000 in 1981. Bond investments accounted for the largest allocation of investible funds followed by money market investments, mortgages, real estate and stocks.

Net realized and unrealized capital gains on segregated funds were \$57,926,000 in 1982 compared with losses of \$33,835,000 in the previous year. The 1982 result reflects the general increase in values that took place in the fixed income markets during the year. Such capital gains and losses are credited or charged to these funds and do not affect the net income of the Company. The gain is offset by an increase of the same amount in the increase in policy reserves noted under Benefits and Expenses.

## Benefits and Expenses

The largest part of the Company's income is paid out or credited to policyholders and their beneficiaries and in 1982, this totalled \$2,094,176,000. Direct payments were \$1,378,541,000, essentially unchanged from 1981. They included death benefits on life insurance claims, pension income for annuitants, funds to assist in the costs of hospital care, dental bills, replacement of income lost through disability, dividends to policyholders based upon a new and improved scale, and surrenders. In addition, \$715,635,000 was added to the policy reserves held to provide for future payments to policyholders.

Mortality experience for individual policies, in both Canada and the United States, was more favorable when compared with that of the previous year. Mor-

tality experience for group policies was largely unchanged in Canada and more favorable in the United States than in 1981.

Commissions increased 1% while operating expenses at \$172,820,000 were up 16% over the previous year. Operating expenses were influenced by inflation, completion of the establishment of the Company's United States region headquarters in Denver, Colorado and continued major system installations.

## Net Income

In the participating policyholders' account, net income from operations before policyholder dividends was \$70,481,000, down 5% from the previous year, with a continuing high rate of surrenders the most significant factor contributing to the result. Of this amount, \$56,628,000 was appropriated for policyholder dividends and, after a charge of \$2,431,000 for other items, \$11,422,000 was carried forward to the participating policyholders' surplus account. After a charge for other items of \$6,769,000, the comparable figure in 1981 was \$10,642,000.

Net income from operations attributable to shareholders amounted to \$36,841,000, representing \$18.42 per share compared with \$28.39 in 1981, a decrease of 35%. The main factors adversely affecting earnings were a deterioration in the results of the group health insurance line of business and of the annuity lines of business in the United States. Including other items of \$4,384,000, net income to shareholders was \$20.61. After a charge of \$12,011,000 for other items in 1981, net income to shareholders for the previous year was \$22.39 per share.

Other items in 1982 in both the participating policyholders' and shareholders' accounts included gains from the conversion of United States dollar net assets at the beginning of the year to Canadian dollars and from profits on the sale of assets. Similarly, both accounts incurred charges arising from net write-down of assets, net losses from subsidiary

---

companies and special increases in policy reserves. An adjustment in prior years' income tax resulted in a charge against the participating policyholders' account and an addition to the shareholders' account.

## Assets And Liabilities

Assets totalled \$6,937,611,000 at December 31.

Liabilities, consisting almost entirely of amounts provided to meet future obligations to policyholders, totalled \$6,275,615,000 and capital and surplus was \$661,996,000 representing 10% of liabilities.

\* \* \*

At the Annual General Meeting of the Company held on April 28, 1982, Mr. D.M. Elliman and Mr. John H. Coleman retired from the Board. Mr. Elliman became a Director in 1960 and served with distinction for twenty-two years. Mr. Coleman was elected to the Board in 1971 and, among his many contributions, was a member of the Audit Committee from 1972 to 1977, serving as Chairman from 1975 to 1977.

The Directors wish to express their appreciation to the officers, staff and field organization for the manner in which they met the demanding circumstances which economic conditions imposed upon the Company in 1982.

On behalf of the Board



J.W. Burns,  
*Chairman of the Board*



K.P. Kavanagh,  
*President and  
Chief Executive Officer*

January 25, 1983.



# Comparative Highlights

(In thousands of dollars)

	<u>1982</u>	<u>1981</u>
<b>At December 31</b>		
Life insurance in force (amounts at risk)	\$74,874,206	\$67,889,326
Annuities in force (funds held)	4,124,866	3,382,405
Health insurance in force (annualized premiums)	888,062	781,155
Assets	6,937,611	5,818,616
Capital and surplus	661,996	629,349
<b>For the Year</b>		
New insurance	11,777,218	9,771,950
New annuities	785,504	636,475
Premium income	1,708,437	1,548,374
Net investment income	619,237	541,569
Total paid or credited to policyholders including dividends	2,094,176	1,744,444
Earnings per share from operations	18.42	28.39
Earnings per share including other items	20.61	22.39

# Summary of Operations

(In thousands of dollars)

	<u>1982</u>	<u>1981</u>
<b>Income:</b>		Restated note 5
Life insurance and annuity premiums	\$ 1,155,908	\$ 962,830
Accident and health premiums	552,529	585,544
Net investment income	619,237	541,569
Net realized and unrealized capital gains on assets of segregated investment funds (note 1d)	<u>57,926</u>	<u>(33,835)</u>
Total Income	<u>2,385,600</u>	<u>2,056,108</u>
<b>Benefits and Expenses:</b>		
Life and annuity benefits	811,364	795,646
Accident and health benefits	478,610	502,969
Interest on funds on deposit	31,939	28,945
Increase in policy reserves (note 1g)	715,635	360,452
Dividends to policyholders	<u>56,628</u>	<u>56,432</u>
Total paid or credited to policyholders	2,094,176	1,744,444
Commissions and operating expenses	233,942	209,687
Premium taxes	<u>19,808</u>	<u>19,743</u>
Net operating income before income taxes	37,674	82,234
Income taxes — current	(1,725)	962
— deferred	<u>(11,295)</u>	<u>7,067</u>
<b>Net Income from Operations</b>	<u>50,694</u>	<u>74,205</u>
<b>Other Items:</b>		
Net write-down of assets	(11,070)	(883)
Realized gains/losses on sales of assets (note 2)	22,075	21,806
Depreciation basis change	—	12,898
Gain due to change in book rates of exchange (note 5)	34,663	—
Prior years' income tax adjustment (note 3)	(626)	2,222
Prior years' policy reserve adjustment (note 1g)	(31,782)	(44,962)
Share of earnings of subsidiaries (note 1f)	<u>(11,307)</u>	<u>(9,861)</u>
<b>Net Income</b>	<u>\$ 52,647</u>	<u>\$ 55,425</u>
<b>Summary of Net Income (note 1h)</b>		
<b>Attributable to Participating Policyholders</b>		
Net income before policyholder dividends	\$ 70,481	\$ 73,843
Policyholder dividends	<u>56,628</u>	<u>56,432</u>
Net income from operations	13,853	17,411
Other items	<u>(2,431)</u>	<u>(6,769)</u>
Net Income — participating policyholders	<u>\$ 11,422</u>	<u>\$ 10,642</u>
<b>Attributable to Shareholders</b>		
Net income from operations	\$ 36,841	\$ 56,794
Other items	<u>4,384</u>	<u>(12,011)</u>
Net Income — shareholders	<u>\$ 41,225</u>	<u>\$ 44,783</u>
<b>Earnings per share</b>		
From operations	\$18.42	\$28.39
Including other items	\$20.61	\$22.39

# Statement of Surplus

For the Year 1982 (In thousands of dollars)

<b>Appropriated</b>	<u>Participating Policyholders</u>	<u>Shareholders</u>	<u>Total</u>
<b>Balance January 1</b>	\$ 50,599	\$ 210,800	\$ 261,399
<b>Add:</b>			
Increase in special reserves			
Investment valuation and currency reserve — net	(1,980)	(41,459)	(43,439)
Reserve for cash value deficiencies and amounts of negative reserves	842	9,659	10,501
Reserve for miscellaneous assets	4,922	12,722	17,644
	<u>3,784</u>	<u>(19,078)</u>	<u>(15,294)</u>
<b>Balance December 31</b>	<u>\$ 54,383</u>	<u>\$ 191,722</u>	<u>\$ 246,105</u>
 <b>Unappropriated</b>			
<b>Balance January 1</b>	\$ 178,939	\$ 187,011	\$ 365,950
<b>Add:</b>			
Total net income for year from summary of operations	11,422	41,225	52,647
<b>Deduct:</b>			
Dividends to shareholders	—	20,000	20,000
Changes in special reserves appropriated from surplus	3,784	(19,078)	(15,294)
<b>Balance December 31</b>	<u>\$ 186,577</u>	<u>\$ 227,314</u>	<u>\$ 413,891</u>

# Balance Sheet

December 31, 1982 (In thousands of dollars)

<b>Assets</b>	<u>1982</u>	<u>1981</u>
<b>Bonds (note 1a)</b>	\$1,883,590	\$1,350,860
<b>Mortgages and sale agreements (note 1a)</b>	2,413,247	2,132,788
<b>Stocks (note 1b)</b>	325,506	337,423
<b>Real estate (note 1c)</b>	672,562	607,048
<b>Loans to policyholders</b>	332,119	290,392
<b>Cash and certificates of deposit</b>	74,850	62,512
<b>Premiums in course of collection</b>	81,332	91,733
<b>Interest due and accrued</b>	90,678	66,357
<b>Segregated investment funds (note 1d)</b>	961,050	797,229
<b>Other assets</b>	102,677	82,274
	<u>\$6,937,611</u>	<u>\$ 5,818,616</u>

Approved by the Board

  
Director

  
Director

<b>Liabilities</b>	<u>1982</u>	<u>1981</u>
<b>Policy benefit liabilities</b>		
Policy reserves (note 1g)	\$4,236,398	\$ 3,373,890
Segregated investment funds	961,050	797,229
Provision for claims	312,763	290,509
Provision for 1983 policyholders' dividends	59,193	57,451
Provision for experience rating refunds	<u>68,414</u>	<u>53,350</u>
	5,637,818	4,572,429
<b>Policyholders' funds</b>	265,032	238,924
<b>Mortgages on real estate</b>	260,032	198,204
<b>Income taxes payable</b>	4,789	18,685
<b>Deferred income taxes (note 1e)</b>	15,090	32,135
<b>Other liabilities</b>	<u>92,854</u>	<u>128,890</u>
	6,275,615	5,189,267
<b>Capital stock and surplus</b>		
<b>Capital stock</b>		
Authorized, issued and fully paid — 2,000,000 common shares of \$1 par value	2,000	2,000
<b>Appropriated surplus (note 4)</b>		
— participating policyholders	54,383	50,599
— shareholders	191,722	210,800
<b>Unappropriated surplus</b> — participating policyholders	186,577	178,939
— shareholders	<u>227,314</u>	<u>187,011</u>
	661,996	629,349
	<u>\$6,937,611</u>	<u>\$ 5,818,616</u>

# Notes to 1982 Financial Statements

---

## 1. Significant Accounting Practices

The accounting practices followed by the Company are as prescribed or permitted by the Department of Insurance of Canada for the purpose of reporting to policyholders and shareholders.

- (a) Investments in bonds, mortgages and sale agreements (debt securities) are basically carried at amortized cost with the securities of the life account adjusted by the unamortized balance of losses or gains on sales of securities. The difference between the proceeds on the sale of a debt security and its amortized cost is considered to be an adjustment of future portfolio yield, and is deferred and amortized over the period to maturity of the security sold. The unamortized balances at December 31, 1982 are \$56,576,000 of net losses for bonds (\$39,352,000 in 1981) and \$742,000 of net gains for mortgages (\$903,000 in 1981).

Bonds, mortgages and sale agreements have a market value authorized by the Department of Insurance of \$3,715,239,000 (\$2,496,011,000 in 1981). In most instances, the carrying value of debt securities will be realized since they will be held to maturity to discharge policy contract liabilities maturing at the same time. Any deviation from this practice is considered in the calculation of policy reserves (note 1g).

- (b) Investments in stocks (equity securities) in the life account, are carried at cost less an adjustment which consists of realized gains and losses as well as a market value adjustment which is a portion of the difference between adjusted book value and year-end market value of all equity securities. The adjustment at December 31, 1982 amounted to \$102,928,000 (\$76,289,000 in 1981). Equity investments in respect of the accident and health business are carried at cost.

Equity securities had a market value authorized by the Department of Insurance of \$489,304,000 (\$470,636,000 in 1981).

- (c) Real estate at December 31, 1982 is carried at a written down cost of \$698,964,000 (\$630,414,000 in 1981) less accumulated depreciation of \$26,402,000 (\$23,366,000 in 1981).

The market value of the real estate portfolio has been calculated at \$761,013,000 (\$662,371,000 in 1981).

- (d) Investments held for segregated investment funds are carried at market value. Net realized and unrealized capital gains on segregated investment funds were \$57,926,000 in 1982 (\$33,835,000 of losses in 1981). Such capital gains and losses to the funds are reflected in the increase in policy reserves and do not affect net income of the Company.
- (e) Income taxes are calculated using the deferred-tax method on a present value basis.

- 
- (f) Income from subsidiaries is included in these statements under the equity method of accounting. The Company's principal subsidiaries are listed below:

Great-West Life &  
Annuity Insurance Company  
Torwest Properties Limited  
Harriott & Associates  
of Canada (1974) Limited  
Cambridge Leaseholds Limited  
G.W.L. Properties Ltd.

- (g) Policy reserves represent the amount which, in the judgement of the Valuation Actuary, is required, together with future premiums and investment income, to provide for future policy benefits, administrative expenses and taxes on insurance and annuity policies.

Policy reserves are calculated using assumptions considered to be appropriate to the policies in force and recognize the deferral of certain costs of acquiring policies. The amount of unamortized deferred acquisition costs deducted in arriving at the policy reserves was \$107,117,000 at December 31, 1982 (\$93,558,000 at December 31, 1981).

The calculation of policy reserves recognizes the relationship between the market value of assets and the durational characteristics of liabilities. Higher than normal surrenders of certain policy contracts experienced to date and projected for future years has short-

ened the liability duration assumption. This factor, combined with the cost of policy enhancements designed to slow the rate of surrender, and recognition of the United States currency conversion (note 5), has caused a prior years' policy reserve adjustment of \$31,782,000, net of income taxes of \$14,525,000.

- (h) Net income includes earnings of the participating, non-participating and the health insurance accounts. Earnings applicable to shareholders include net earnings of the non-participating and the health accounts and 2½%, as restricted by law, of the distributions from the participating account.
2. Realized gains, net of income taxes of \$7,204,000, on sales of assets shown as an other item in net income includes the results of:
- (i) all disposals of assets of the accident and health account;
  - (ii) disposals of real estate in the life account.
3. Significant changes in United States income tax legislation occurred in 1982. The new legislation has resulted in revisions to Deferred Income Tax calculations at December 31, 1981. Accordingly, an adjustment with respect to income taxes for prior years has been reflected in the income statement. In 1982 and future years United States income taxes will be calculated on the basis of net income rather than investment income net of policyholder requirements.

4. Appropriated surplus represents reserves required by the Department of Insurance of Canada and comprises the following:

Participating account:	<u>1982</u> (000)	<u>1981</u> (000)
Investment valuation and currency reserve — net	\$ 15,626	\$ 17,606
Reserve for cash value deficiencies and amounts of negative reserves	19,093	18,251
Reserve for miscellaneous assets	<u>19,664</u>	<u>14,742</u>
Total	<u>\$ 54,383</u>	<u>\$ 50,599</u>
Non-participating and health accounts:		
Investment valuation and currency reserve — net	\$ 72,564	\$ 114,023
Reserve for cash value deficiencies and amounts of negative reserves	59,456	49,797
Reserve for miscellaneous assets	<u>59,702</u>	<u>46,980</u>
Total	<u>\$ 191,722</u>	<u>\$ 210,800</u>

5. Effective January 1, 1982, United States currency items are translated at a book rate of \$1.15 in Canadian dollars. It is the intention of the Company to alter this rate whenever it is evident that currency rates have changed significantly and in the opinion of the Company, the rate will not be reversed in the near term. A gain due to this change in book rates of exchange amounting to \$34,663,000 has been reflected in the income statement.

In order to facilitate comparison, the United States currency items included in the 1981 Summary of Operations at dollar for dollar with Canadian have been restated at the new book rate of \$1.15 in Canadian dollars.

Conversion to Canadian dollars of the excess of United States dollar assets over United States dollar liabilities at the December 31, 1982 exchange rate rather than the book rate of \$1.15 would have produced an increase in net assets of approximately \$17,241,000. In accordance with reporting requirements, this amount is reflected in the balance sheet by a reduction in the investment valuation reserve shown in note 4.

6. Transactions with related companies consist mainly of the provision of insurance benefits to other companies within the Power Corporation of Canada group of companies. In all cases, such transactions are made in the normal course of business and at competitive prices.



# Valuation Actuary's Certificate

**Great-West Life**



60 Osborne Street North  
Winnipeg, Manitoba R3C 3A5  
Telephone (204) 946-1190

January 25, 1983

## VALUATION ACTUARY'S CERTIFICATE

To the Policyholders, Shareholders, and Directors of  
The Great-West Life Assurance Company

I have made the valuation of the policy benefit liabilities of The Great-West Life Assurance Company for its balance sheet at 31 December, 1982 and its summary of operations for the year then ended. In my opinion: i) the valuation conforms to the Recommendations for Insurance Company Financial Reporting of the Canadian Institute of Actuaries; ii) the amount of the policy benefit liabilities makes proper provision for future payments under the Company's policies; iii) a proper charge on account of those liabilities has been made in the summary of operations; and iv) the amount of surplus appropriation for policies whose cash value exceeds the policy benefit liability is proper.

J.O. Parsonage, F.S.A., F.C.I.A., M.A.A.A.  
Senior Vice-President,  
Corporate Finance and Control

THE GREAT-WEST LIFE ASSURANCE COMPANY  
HEAD OFFICE: WINNIPEG, CANADA • U.S. HEADQUARTERS: DENVER, COLORADO

*Touche Ross & Co.*

Chartered Accountants

## AUDITORS' REPORT

To the Policyholders, Shareholders and Directors,  
The Great-West Life Assurance Company.

We have examined the balance sheet of The Great-West Life Assurance Company at December 31, 1982 and the summary of operations and the statement of surplus 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 financial statements present fairly the financial position of the Company at December 31, 1982 and the results of its operations for the year then ended in accordance with the accounting practices described in Note 1 to the financial statements applied, except for the change in the method of accounting for foreign currency translation as explained in Note 5 to the financial statements, on a basis consistent with that of the preceding year.

*Touche Ross & Co.*

Winnipeg, Manitoba,  
January 25, 1983.

Chartered Accountants



SUITE 2000, 360 MAIN STREET - WINNIPEG, MANITOBA R3C 3Z3  
TELEPHONE (204) 942-0051

# Executive Officers

---

K.P. Kavanagh  
*President and Chief Executive Officer*

## Canadian Region

J.D. Green  
*Senior Vice-President, Canada*

R.S. Abbott  
*Vice-President, Marketing Development*

W.L. Benson  
*Vice-President, Group Major Accounts*

C.D. Chapman  
*Vice-President, Individual*

J.R. Grant  
*Vice-President, Group*

## United States Region

O.T. Dackow  
*Senior Vice-President, United States*

A.G. Carmichael  
*Vice-President, Individual Operations*

A.D. MacLennan  
*Vice-President, Group*

W.T. McCallum  
*Vice-President, Individual*

## Investment

J.R. Crysdale  
*Senior Vice-President, Investments*

G.W. Dominy  
*Vice-President, Investment Policy*

M.G. Smith  
*Vice-President, Mortgage and Bond Investments*

## Corporate Finance and Control

J.O. Parsonage  
*Senior Vice-President,  
Corporate Finance and Control*

J.A. Hillman  
*Vice-President and Controller*

## Corporate Resources

H.E. Harland  
*Senior Vice-President, Corporate Resources*

R.B. Pennycook  
*Vice-President, Corporate Systems*

## Corporate Staff

G.R. Dinney  
*Vice-President, Corporate Planning  
and Development*

H.W.B. Manning  
*Vice-President and Counsel*

R.K. Siddall  
*Vice-President and Secretary*

# Great-West Life Offices

## Corporate Headquarters and Canadian Operations

60 Osborne St. North  
Winnipeg, Manitoba

## United States Headquarters and Group Operations

1675 Broadway  
Denver, Colorado

## United States Individual Operations

7400 E. Orchard  
Englewood, Colorado

### Canadian Region

#### British Columbia

##### *Burnaby*

6450 Roberts St. (I, B)

##### *Kelowna*

201-1610 Bertram St. (I, B)

##### *Kamloops*

205-153 Seymour St. (I)

##### *Nanaimo*

4th Floor, 17 Church St. (I)

##### *Prince George*

302-1575 5th Ave. (I, B)

##### *Terrace*

4648 Lakelse Ave. (I)

##### *Vancouver*

1500-1177 West Hastings St. (I, B)

1510-1177 West Hastings St. (G)

19th Floor, 1066 West Hastings St. (P)

##### *Victoria*

Suite 1204, 1175 Douglas St. (I)

#### Alberta

##### *Calgary*

2924-11th St. N.E. (I, B)

530-1121 Centre St. N. (G)

##### *Edmonton*

910-10303 Jasper Ave. (G)

950-10303 Jasper Ave. (I, B)

1130-10025 Jasper Ave. (P)

##### *Grande Prairie*

10124-101 Ave. (I, B)

##### *Lethbridge*

1007 Woodward Tower,

Lethbridge Centre (I)

##### *Red Deer*

Suite 202, Southhill Towers (I)

#### Saskatchewan

##### *Regina*

200-2222-13th Ave. (I, G)

##### *Saskatoon*

201-230-22nd St. E. (I, B)

607-230-22nd St. E. (G)

#### Manitoba

##### *Brandon*

400-740 Rosser Ave. (I)

##### *Winnipeg*

302-155 Carlton St. (I, B)

1000-444 St. Mary Ave. (G)

600-330 St. Mary Ave. (P)

#### Ontario

##### *Brampton*

707-24 Queen St. E. (I)

##### *Hamilton*

9th Floor, 155 James St. S. (I, B)

187 Hughson St. S. (G)

##### *Kingston*

501-837 Princess St. (I, B)

##### *Kitchener*

7 Duke St. W. (I, B)

##### *London*

200 Queens Ave. (I)

##### *Mississauga*

710-89 Queensway W. (I)

##### *Ottawa*

1900-130 Albert St. (I, B)

206-1335 Carling Ave. (G)

##### *Osbawa*

3-58 Rossland Rd. W. (I, B)

##### *Peterborough*

200A-277 George St. N. (I)

##### *Toronto*

950-4881 Yonge St. (I)

1400-120 Adelaide St. W. (G)

400-365 Bloor St. E. (P)

##### *Willowdale*

211 Consumers Rd. (I, B)

##### *Windsor*

1015 University Ave. W. (I)

#### Québec

Québec Marketing Office

25 Edison, Place Bonaventure

Montréal, Québec

##### *Chicoutimi*

678B, des Sagueneen (I)

##### *Hull*

15 Gamelin Boul. (I)

##### *Montréal*

7 Elgin, Place Bonaventure (I, B)

1860-500 Place d'Armes (I, B)

Floor E, 52 Eiffel (G)

4125 - One Place Ville Marie (G)

18 Dolbeau, Place Bonaventure (P)

##### *Québec City*

4 Place Québec (I, B)

##### *Rimouski*

362, boulevard Jessop (I)

#### New Brunswick

##### *Saint John*

4th Floor, 75 Prince William St. (I, B)

#### Nova Scotia

##### *Halifax*

1010-1809 Barrington St. (I)

1304-1809 Barrington St. (G)

1306-1809 Barrington St. (P)

##### *Sydney*

56 Inglis St. (P)

#### Newfoundland

##### *St. John's*

5th Floor, Royal Trust Bldg.,

Water Street (I)

25 Kenmount Rd. (G, P)

#### Prince Edward Island

##### *Charlottetown*

57 Queen St. (I)

(B) Brokerage Offices

(G) Group Offices

(I) Individual Offices

(P) Benefit Payments Offices

## United States Region

### Arizona

#### Phoenix

620-3300 N. Central Avenue (I)  
910-3300 N. Central Avenue (G)

### California

#### Fresno

157-1300 E. Shaw Avenue (I)

#### Los Angeles

1700-3435 Wilshire Blvd. (G)  
1705-3435 Wilshire Blvd. (I)  
225 W. Broadway (P)

#### Santa Ana

206-540 N. Golden Circle Drive (I)  
114-2030 E. Fourth Street (I)  
200-2000 E. Fourth Street (G)

#### San Francisco

8th Floor, 600 Montgomery Street (G)  
830-333 Market Street (P)

#### San Jose

111-62 San Thoma Aquino Road (I)

### Colorado

#### Boulder

1728-16th Street (I)

#### Colorado Springs

235-105 E. Vermijo (I)

#### Denver

2nd Floor, 1675 Broadway (I)  
Suite 300, 1675 Broadway (G)

#### Englewood

3rd Floor, 7400 E. Orchard (P)

### Connecticut

#### Hartford

200-100 Constitution Plaza (I)

### District of Columbia

#### Washington, D.C.

212-7630 Little River Turnpike,  
Annandale, Va. (I)  
700-2550 M Street N.W. (G)  
705-8401 Connecticut Ave. (P)

### Florida

#### Miami

119-4700 N. State Road 7 (I)

### Georgia

#### Atlanta

208 One Piedmont Center (I)  
2180-3340 Peachtree Road N.E. (G)  
2295-3340 Peachtree Road N.E. (P)

### Illinois

#### Chicago

1760-135 S. LaSalle Street (I)  
1030-135 S. LaSalle Street (G)  
1042-135 S. LaSalle Street (P)

### Peoria

500-207 Main Street (I, G)  
410-207 Main Street (P)

### Indiana

#### Indianapolis

730-9000 Keystone Crossing (I)  
735-9000 Keystone Crossing (G)

#### Kansas City

430-8717 W. 110th Street (I)

### Louisiana

#### New Orleans (Metairie)

604-3510 N. Causeway Blvd. (I)

### Maryland

#### Baltimore (Towson)

300-8600 LaSalle Road (I)  
308-16 E. Lombard (G)

### Massachusetts

#### Boston

400-133 Federal Street (I, G, P)

### Michigan

#### Detroit

2020-100 Renaissance Center (I)  
2100/2166-100 Renaissance Center (G, P)

#### Grand Rapids

2000-180 Monroe N.W. (I)  
380-2900 Charlevoix Drive S.E. (G)  
390-2900 Charlevoix Drive S.E. (P)

#### Kalamazoo

1506 Portage Street (I)

#### Lansing

303-112 E. Allegan Street (I)

#### Saginaw

301-300 St. Andrews Road (I)

### Minnesota

#### Minneapolis

400-7505 Metro Blvd. (I)  
430-7505 Metro Blvd. (G)  
435-7505 Metro Blvd. (P)

#### St. Paul

1224 Pioneer Bldg. (I)

### Missouri

#### St. Louis (Clayton)

1610-7777 Bonhomme Ave. (I, G)  
2010-7777 Bonhomme Ave. (P)

### New Jersey

#### North Jersey

3rd Floor, 25 Commerce Drive (I)  
Montville Center III,  
55 U.S. Highway #46 (G)

### North Dakota

#### Fargo

100-1351 Page Drive (I)

#### Minot

101-201 S. Main Street (I)

### Ohio

#### Akron

510-1655 West Market Street (I)  
540-1655 West Market Street (G)

#### Cincinnati

390-120 East 4th Street (I)  
380-120 East 4th Street (G)  
1270 East 4th Street (P)

#### Cleveland

200-1468 West Ninth Street (G)  
10-1940 East 6th Street (P)

#### Columbus

2nd Floor, 250 East Town Street (I)  
1379 Dublin Road (G)  
1377 Dublin Road (P)

### Oklahoma

#### Tulsa

715-5310 East 31st St. (G)  
318-5310 East 31st St. (P)

### Oregon

#### Klamath Falls

435 Main Street (I)

#### Portland

410-5200 S.W. Macadam Ave. (I)  
830-1600 S.W. 4th Avenue (G)  
160-1800 S.W. 1st Avenue (P)

### Pennsylvania

#### Philadelphia

310-1900 Market Street (I, G)  
2nd Floor, 2000 Market Street (P)

#### Pittsburgh

3102 Two Oliver Plaza (I)

### South Carolina

#### Columbia

202-3710 Landmark Drive (I)

### Texas

#### Dallas

950-7557 Rambler Road (I, P)  
128-3 North Park East (G)

#### Houston

1300-3000 South Post Oak Blvd. (I, G)

### Virginia

#### Richmond

205-1500 Forest Ave. (G)

### Washington

#### Seattle (Bellevue)

2223-112th Ave. N.E. (I, G, P)

### Wisconsin

#### Milwaukee

36-16655 W. Bluemound Rd. (I)  
3580-777 E. Wisconsin Ave. (G)

(B) Brokerage Offices

(G) Group Offices

(I) Individual Offices

(P) Benefit Payments Offices

---

## Property Investment Offices

### Canada

#### *Vancouver*

2643-595 Burrard Street

#### *Calgary*

1200-606-4th Street S.W.

#### *Edmonton*

1424-10025 Jasper Avenue

#### *Winnipeg*

910-330 Portage Avenue

#### *Toronto*

1410-120 Adelaide St. W.

#### *Ottawa*

309-1335 Carling St.

#### *Montréal*

Place Bonaventure

### United States

The Company is represented by mortgage correspondents in its major operational regions in the United States.

#### *Mason-McDuffie Co.*

4 Orinda Way

Orinda, California

#### *Wallace Moir Company*

10th Floor, 9595 Wilshire Blvd.

Beverly Hills, California

#### *Spelman Mortgage & Investment Company*

180 Cook Street, Ste. 209

Denver, Colorado

#### *Baird & Warner*

115 S. LaSalle Street

Chicago, Illinois

#### *Salk, Ward & Salk, Inc.*

11 S. LaSalle Street

Chicago, Illinois

#### *Hartger & Willard Mortgage Associates, Inc.*

141 Ionia Avenue, N.W.

Grand Rapids, Michigan

#### *Northland Mortgage Company*

3500 West 80th Street

Minneapolis, Minnesota

#### *The Sheahan Investment Company*

135 North Meramec Avenue

Clayton, Missouri

#### *W. Lyman Case & Co.*

23 North Fourth Street

Columbus, Ohio

#### *Ward Cook, Inc.*

520 S.W. Stark Street

Portland, Oregon

#### *Latimer & Buck*

121 S. Broad Street

Philadelphia, Pennsylvania

#### *STM Mortgage Company*

2355 Steemons Freeway

Dallas, Texas

#### *The Robert C. Wilson Company*

2217 Welch

Houston, Texas

#### *Walker & Dunlop, Inc.*

1156-15th Street N.W.

Washington, D.C.

#### *The H.S. Pickrell Company*

3300 North Central Avenue

Phoenix, Arizona

#### *Salk, Ward & Salk, Inc.*

55-46th Floor, East Monroe St.

Chicago, Illinois

---

## Transfer Agents and Registrar Offices

### Montreal Trust Company

#### *Vancouver*

466 Howe Street

#### *Edmonton*

10020-100A Avenue

#### *Winnipeg*

221 Portage Avenue

#### *Toronto*

14 King Street West

#### *Montréal*

777 Dorchester Boulevard West

One Place Ville-Marie



**Great-West Life**  
ASSURANCE  COMPANY