



Presentation to Delegates of SSQ, Mutual Management Corporation

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1 + 1 = 2

Understanding financial
statements is...
as easy as pie!




$$1+1=2$$


Presentation subjects

- Consolidated Balance Sheet
 - Assets
 - Liabilities
 - Shareholder's Equity
- Consolidated Statement of Income
- Consolidated Statement of Comprehensive Income
- Consolidated Statement of Shareholders' Equity

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Questions





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Consolidated Balance Sheet

- **Assets**
- **Liabilities**
- **Shareholders' equity**

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Consolidated Balance Sheet - Assets

(in millions of dollars)

p/1

Investments

Bonds	1,256.0
Loans	271.2
Shares	80.7
Investment fund	51.4
Real estate	77.4
Cash and deposit certificates	174.2
Other investments	27.3

1,938.2

Outstanding premiums

145.0

Investment income due and accrued

10.7

Other receivables

20.4

Deferred charges

28.3

Fixed assets

23.2

Future income taxes

General funds assets

2,165.8

Segregated funds assets

1,720.7

 $1+1=2$

Consolidated Balance Sheet – Liabilities and Shareholders' Equity (in millions of dollars)

p/2

Liabilities

Obligations towards insureds

Actuarial reserve	1,464.4
Provisions for claims and experience refunds	75.2
Deposits	121.4

1,661.0

Unearned premiums

83.5

Unpaid claims

22.8

Accounts payable

94.4

Deferred realized net gains

0.4

Subordinated debts

65.0

Future income taxes

3.2

1,930.3

Shareholders' equity

Share capital	36.6
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Retained earnings	191.1
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Accumulated other comprehensive income	7.8
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235.5

General funds liabilities and equity

2,165.8

Segregated funds contracts liabilities

1,720.7


 $1+1=2$

Consolidated Statement of Income

(in millions of dollars)

p/3

Revenues

Gross premiums	1,596.9
Premiums ceded to reinsurance	(248.5)
Net premiums	1,348.4
Increase in unearned premiums	(19.1)
Investments	103.6
Changes in fair value on held for trading assets	(17.8)
Administration fees and other revenues	28.1

Total revenues **1,443.2**

Benefits and expenses

Insurance and annuity	
Net benefits	686.7
Transfers to segregated funds	446.7
Net increase in actuarial reserve	44.1
Interest on deposits	3.9

1,181.4

Selling and administrative	134.7
Commissions and fees on sales	45.7
Premium taxes	25.7

Total benefits and expenses **1,387.5**

Income before experience refunds and income taxes **55.7**

Experience refunds **15.7**

Income before income taxes **40.0**

Income taxes **12.0**

Net income **28.0**

 $1+1=2$

Consolidated Statement of Comprehensive Income

(in millions of dollars)

p/4

Net income

28.0

Other comprehensive income, net of income taxes

Unrealized gains and losses on available for sale assets

(6.5)

Reclassification of gains and losses on available for sale assets

(4.8)

Unrealized gains and losses on derivative instruments

0.4

(10.9)

Comprehensive income

17.1

 $1+1=2$

Consolidated Statement of Shareholders' Equity

(in millions of dollars)

p/5

Share capital

36.6

Retained earnings

Balance, beginning of year

168.0

Impact of new accounting standards

0.6

Net income

28.0

Dividends

(5.5)

Balance, end of year

191.1

Accumulated other comprehensive income

Balance, beginning of year

0

Impact of new accounting standards

18.7

Other comprehensive income

(10.9)

Balance, end of year

7.8

198.9

Shareholders' equity, end of year

235.5

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Questions



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Question period



$$1+1=2$$

My house!

