

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 11 SEGREGATED FUNDS AND OTHER STRUCTURED ENTITIES (CONTINUED)

The following presents further details of the investments, determined in accordance with the relevant statutory reporting requirements of each region of Lifeco's operations, on account of segregated fund policyholders:

#### INVESTMENTS ON ACCOUNT OF SEGREGATED FUND POLICYHOLDERS

DECEMBER 31	2014	2013
Cash and cash equivalents	11,052	11,374
Bonds	37,912	34,405
Mortgage loans	2,508	2,427
Shares and units in unit trusts	68,911	62,882
Mutual funds	46,707	41,555
Investment properties	9,533	8,284
	176,623	160,927
Accrued income	364	380
Other liabilities/assets	(3,033)	(1,300)
Non-controlling mutual fund interest	1,012	772
	174,966	160,779

#### INSURANCE AND INVESTMENT CONTRACTS ON ACCOUNT OF SEGREGATED FUND POLICYHOLDERS

YEARS ENDED DECEMBER 31	2014	2013
Balance, beginning of year	160,779	105,432
Additions (deductions):		
Policyholder deposits	20,909	15,861
Net investment income	2,997	1,565
Net realized capital gains on investments	5,683	3,419
Net unrealized capital gains on investments	5,301	7,879
Unrealized gains due to changes in foreign exchange rates	826	7,226
Policyholder withdrawals	(21,057)	(17,141)
Business acquisitions	—	36,348
Segregated fund investment in General Fund <sup>[1]</sup>	(382)	—
General fund investment in Segregated Fund <sup>[1]</sup>	(401)	—
Net transfer from General Fund	71	67
Non-controlling mutual fund interest	240	123
	14,187	55,347
Balance, end of year	174,966	160,779

[1] During the year, Lifeco reclassified certain amounts invested by the Segregated Funds into the General Fund of \$382 million and amounts invested in the General Fund into the Segregated Funds of \$401 million.

#### INVESTMENT INCOME ON ACCOUNT OF SEGREGATED FUND POLICYHOLDERS

YEARS ENDED DECEMBER 31	2014	2013
Net investment income	2,997	1,565
Net realized capital gains on investments	5,683	3,419
Net unrealized capital gains on investments	5,301	7,879
Unrealized gains due to changes in foreign exchange rates	826	7,226
Total	14,807	20,089
Change in insurance and investment contract liabilities on account of segregated fund policyholders	14,807	20,089
Net	—	—