

VARIABLE ANNUITY-1 SERIES ACCOUNT

SCHWAB ONESOURCE ANNUITY[®]

Flexible Premium Deferred Variable Annuity Contracts

issued by

Great-West Life & Annuity Insurance Company
8515 E. Orchard Road
Greenwood Village, Colorado 80111
Telephone: (800) 468-8661 (Outside Colorado)
(800) 547-4957 (Colorado)

STATEMENT OF ADDITIONAL INFORMATION

This Statement of Additional Information is not a prospectus and should be read in conjunction with the Prospectus, dated May 1, 2019, which is available without charge by contacting the Annuity Service Center, P.O. Box 173920, Denver, Colorado 80217-3920 or by calling (800) 838-0650.

The date of this Statement of Additional Information is
May 1, 2019

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GENERAL INFORMATION

In order to supplement the description in the Prospectus, the following provides additional information about the Contracts and other matters which may be of interest to you. Terms used in this Statement of Additional Information have the same meanings as are defined in the Prospectus under the heading "Definitions."

GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY AND THE VARIABLE ANNUITY-1 SERIES ACCOUNT

Great-West Life & Annuity Insurance Company (the "Company"), the issuer of the Contract, is a Colorado corporation qualified to sell life insurance and annuity contracts in Puerto Rico, U.S. Virgin Islands, Guam, the District of Columbia and all states except New York. Great-West is a wholly owned subsidiary of GWL&A Financial, Inc., a Delaware holding company. GWL&A Financial, Inc. is an indirect wholly-owned subsidiary of Great-West Lifeco Inc., a Canadian holding company. Great-West Lifeco Inc. is a subsidiary of Power Financial Corporation, a Canadian holding company with substantial interests in the financial services industry. Power Financial Corporation is a subsidiary of Power Corporation of Canada, a Canadian holding and management company. Through a group of private holding companies, The Desmarais Family Residuary Trust, which was created on October 8, 2013 under the Last Will and Testament of Paul G. Desmarais, has voting control of Power Corporation of Canada.

The assets allocated to the Variable Annuity-1 Series Account (the "Series Account") are the exclusive property of Great-West. Registration of the Series Account under the Investment Company Act of 1940 does not involve supervision of the management or investment practices or policies of the Series Account or of Great-West by the Securities and Exchange Commission. Great-West may accumulate in the Series Account proceeds from charges under the Contracts and other amounts in excess of the Series Account assets representing reserves and liabilities under the Contract and other variable annuity contracts issued by Great-West. Great-West may from time to time transfer to its general account any of such excess amounts. Under certain remote circumstances, the assets of one Sub-Account may not be insulated from liability associated with another Sub-Account.

On January 24, 2019, the Company announced that it had entered into an agreement with Protective Life Insurance Company ("Protective") to sell, via indemnity reinsurance, substantially all of its non-participating individual life insurance and annuity business and group life and health business, including this Contract. Subject to the provision of certain services by the Company or its affiliates for a transitional period following the closing, Protective will agree to provide administration for the Contract in accordance with their terms and conditions. The transaction is expected to close in the first half of 2019, subject to regulatory approvals and customary closing conditions.

CALCULATION OF ANNUITY PAYMENTS

Variable Annuity Options

Great-West converts the accumulation units for each Sub-Account held by you into Annuity Units at their values determined as of the end of the valuation period which contains the Payout Commencement Date. The number of Annuity Units paid for each Sub-Account is determined by dividing the amount of the first payment by the Annuity Unit value on the first valuation date preceding the date the first payout is due. The number of Annuity Units used to calculate each payout for a Sub-Account remains fixed during the Annuity Payment Period.

The first payment under a variable annuity payment option will be based on the value of each Sub-Account on the first valuation date preceding the Annuity Commencement Date. It will be determined by applying the appropriate rate to the amount applied under the payout option. Payments after the first will vary depending upon the investment experience of the Sub-Accounts. The subsequent amount paid is determined by multiplying (a) by (b) where (a) is the number of Annuity Units to be paid and (b) is the Annuity Unit value on the first valuation date preceding the date the annuity payout is due. The total amount of each variable annuity payout will be the sum of the variable annuity payments for each Sub-Account.

POSTPONEMENT OF PAYMENTS

With respect to amounts allocated to the Series Account, payment of any amount due upon a total or partial surrender, death or under an annuity option will ordinarily be made within seven days after all documents required for such payment are received by Annuity Service Center. However, the determination, application or payment of any Death Benefit, Transfer, full surrender, partial withdrawal or annuity payment may be deferred (1) for any period (A) during which the New York Stock Exchange is closed (other than customary weekend and holiday closings) or (B) trading on the New York Stock Exchange is restricted, (2) for any period during which an emergency exists as a result of which (A) disposal by the Series Account of

securities owned by it is not reasonably practicable or (B) it is not reasonably practicable for the Series Account to determine the value of its net assets, or (3) for such other periods as the Securities and Exchange Commission may by order permit for the protection of investors.

SERVICES

A. Safekeeping of Series Account Assets

The assets of the Series Account are held by Great-West. The assets of the Series Account are kept physically segregated and held separate and apart from the general account of Great-West. Great-West maintains records of all purchases and redemptions of shares of the Portfolios. Additional protection for the assets of the Series Account is afforded by a financial institution bond that includes fidelity coverage issued to The Great-West LifeCo, Inc. and subsidiary companies in the amount of \$50 million (Canadian) per occurrence and \$100 million (Canadian) aggregate, which covers all officers and employees of Great-West.

B. Independent Registered Public Accounting Firm

Deloitte & Touche LLP, 1601 Wewatta St, Denver, CO 80202, serves as the Company's and the Series Account's independent registered public accounting firm.

The financial statements and financial highlights of each of the investment divisions of the Variable Annuity-1 Series Account of Great-West Life & Annuity Insurance Company included in this Statement of Additional Information have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing in the Registration Statement. The statutory financial statements of Great-West Life & Annuity Insurance Company included in this Statement of Additional Information included in the Registration Statement have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing in the Registration Statement. Such statutory financial statements have so been included in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

C. Principal Underwriter

The offering of the Contracts ceased on September 30, 2014. The offering was previously made on a continuous basis by GWFS Equities, Inc., a wholly owned subsidiary of Great-West. GWFS is a Delaware corporation, a broker-dealer registered with the Securities and Exchange Commission ("SEC"), and is a member of the Financial Industry Regulatory Authority ("FINRA"). The Contract generally was issued for Annuitants from birth to age ninety. The aggregate dollar amount of commissions paid to, and retained by, GWFS for the Contracts was zero for the last three fiscal years.

D. Administrative Services

Certain administrative services are provided by GWFS to assist Great-West in processing the Contracts. These services are described in written agreements between GWFS and Great-West. The total compensation paid to GWFS in connection with these services was zero for the last three fiscal years.

WITHHOLDING

Annuity payments and other amounts received under the Contract are subject to income tax withholding unless the recipient elects not to have taxes withheld. The amounts withheld will vary among recipients depending on the tax status of the individual and the type of payments from which taxes are withheld.

Notwithstanding the recipient's election, withholding may be required with respect to certain payments to be delivered outside the United States. Moreover, special "backup withholding" rules may require Great-West to disregard the recipient's election if the recipient fails to supply Great-West with a "TIN" or taxpayer identification number (social security number for individuals), or if the Internal Revenue Service notifies Great-West that the TIN provided by the recipient is incorrect.

We may be required to withhold at a rate of 30% under the Foreign Account Tax Compliance Act ("FATCA") on certain distributions to foreign financial institutions and non-financial foreign entities holding accounts on behalf of and/or the assets of

U.S. persons unless the foreign entities provide us with certain certifications regarding their status under FATCA on the applicable IRS forms. Prospective purchasers with accounts in foreign financial institutions or non-financial foreign entities are advised to consult with a competent tax advisor regarding the application of FATCA to their purchase situation.

FINANCIAL STATEMENTS

The consolidated financial statements of Great-West should be considered only as bearing upon Great-West's ability to meet its obligations under the Contracts, and they should not be considered as bearing on the investment performance of the Series Account. The variable interest of Owners under the Contracts is affected solely by the investment results of the Series Account.

AUDITED FINANCIAL REPORT



Great-West Life & Annuity Insurance Company
(A wholly-owned subsidiary of GWL&A Financial Inc.)

*Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus as of December 31,
2018 and 2017 and
Related Statutory Statements of Operations, Changes in Capital and Surplus and Cash Flows
for Each of the Three Years in the Period Ended December 31, 2018
and Report of Independent Registered Public Accounting Firm*

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder of
Great-West Life & Annuity Insurance Company
Greenwood Village, Colorado

Opinion on the Statutory Financial Statements

We have audited the accompanying statutory statements of admitted assets, liabilities, and capital and surplus of Great-West Life & Annuity Insurance Company (the "Company") (a wholly-owned subsidiary of GWL&A Financial Inc.), as of December 31, 2018 and 2017, the related statutory statements of operations, changes in capital and surplus, and cash flows for each of the three years in the period ended December 31, 2018, and the related notes (collectively referred to as the "statutory financial statements"). In our opinion, because of the effects of the matters discussed in the following paragraph, the statutory financial statements do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2018 and 2017, or the results of its operations or its cash flows for each of the three years in the period ended December 31, 2018.

As described in Note 1 to the statutory financial statements, the statutory financial statements are prepared by the Company using the accounting practices prescribed or permitted by the Colorado Division of Insurance, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Colorado Division of Insurance. The effects on the statutory financial statements of the variances between the statutory-basis of accounting described in Note 1 to the statutory financial statements and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, the statutory financial statements present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of the Company as of December 31, 2018 and 2017, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2018 in conformity with accounting practices prescribed or permitted by the Colorado Division of Insurance, as described in Note 1 to the statutory financial statements.

Basis for Opinion

These statutory financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's statutory financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

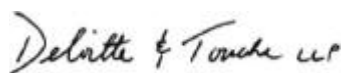
We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statutory financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing

an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the statutory financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the statutory financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statutory financial statements. We believe that our audits provide a reasonable basis for our opinion.

Emphasis of Matter

As discussed in Note 1 to the statutory financial statements, the accompanying statutory financial statements have been prepared from separate records maintained by the Company and may not necessarily be indicative of conditions that would have existed or the results of operations if the Company had been operated as an unaffiliated company, as portions of certain expenses represent allocations made from affiliates.

A handwritten signature in dark ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

Denver, Colorado

March 19, 2019

We have served as the Company's auditor since 1981

GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY

Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus

December 31, 2018 and 2017

(In Thousands, Except Share Amounts)

	December 31,	
	2018	2017
Admitted assets:		
Cash and invested assets:		
Bonds	\$ 20,654,118	\$ 19,944,862
Common stock	131,883	107,977
Mortgage loans (net of allowances of \$746 and \$746)	4,206,865	3,871,338
Real estate occupied by the company	37,555	36,302
Real estate held for the production of income	1,407	1,466
Contract loans	4,122,637	4,078,669
Cash, cash equivalents and short-term investments	229,003	242,084
Securities lending collateral assets	45,102	—
Other invested assets	606,787	566,187
Total cash and invested assets	<u>30,035,357</u>	<u>28,848,885</u>
Investment income due and accrued	284,303	279,822
Premiums deferred and uncollected	25,795	15,919
Reinsurance recoverable	8,090	7,090
Current federal income taxes recoverable	71,875	16,535
Deferred income taxes	150,497	149,315
Due from parent, subsidiaries and affiliates	50,107	67,355
Cash value of company owned life insurance	272,606	264,798
Other assets	231,965	163,388
Assets from separate accounts	<u>24,654,916</u>	<u>28,197,122</u>
Total admitted assets	<u><u>\$ 55,785,511</u></u>	<u><u>\$ 58,010,229</u></u>

See notes to statutory financial statements.

Continued

GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY

Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus

December 31, 2018 and 2017

(In Thousands, Except Share Amounts)

	December 31,	
	2018	2017
Liabilities, capital and surplus:		
Liabilities:		
Aggregate reserves for life policies and contracts	\$ 27,501,121	\$ 26,587,834
Aggregate reserves for accident and health policies	276,762	272,539
Liability for deposit-type contracts	189,895	206,134
Life and accident and health policy and contract claims	123,705	120,537
Provision for policyholders' dividends	31,184	38,872
Liability for premiums received in advance	13,926	12,768
Liability for contract deposit funds	150,981	174,296
Unearned investment income	622	4,483
Asset valuation reserve	204,393	203,546
Interest maintenance reserve	50,674	82,238
Due to parent, subsidiaries and affiliates	41,735	52,081
Commercial paper	98,859	99,886
Payable under securities lending agreements	45,102	—
Repurchase agreements	664,650	—
Other liabilities	410,076	828,393
Liabilities from separate accounts	24,654,907	28,197,113
Total liabilities	<u>54,458,592</u>	<u>56,880,720</u>
Commitments and contingencies (see Note 20)		
Capital and surplus:		
Preferred stock, \$1 par value, 50,000,000 shares authorized; none issued and outstanding	—	—
Common stock, \$1 par value; 50,000,000 shares authorized; 7,320,176 shares issued and outstanding	7,320	7,320
Surplus notes	591,699	539,930
Gross paid in and contributed surplus	710,271	706,178
Unassigned funds	17,629	(123,919)
Total capital and surplus	<u>1,326,919</u>	<u>1,129,509</u>
Total liabilities, capital and surplus	<u>\$ 55,785,511</u>	<u>\$ 58,010,229</u>

See notes to statutory financial statements.

Concluded

GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY

Statutory Statements of Operations
Years Ended December 31, 2018, 2017 and 2016
(In Thousands)

	Year Ended December 31,		
	2018	2017	2016
Income:			
Premium income and annuity consideration	\$ 7,592,609	\$ 5,270,518	\$ (397,783)
Net investment income	1,307,387	1,266,963	1,235,841
Amortization of interest maintenance reserve	24,863	22,045	23,253
Commission and expense allowances on reinsurance ceded	5,211	31,582	5,785
Fee income from separate accounts	160,573	160,280	151,744
Reserve adjustment on reinsurance ceded	(1,975,763)	(490,424)	5,627,638
Miscellaneous income	250,272	220,204	154,696
Total income	<u>7,365,152</u>	<u>6,481,168</u>	<u>6,801,174</u>
Expenses:			
Death benefits	380,057	276,519	341,292
Annuity benefits	228,530	203,679	202,093
Disability benefits and benefits under accident and health policies	41,719	44,208	41,580
Surrender benefits	5,895,938	4,992,338	4,330,313
Increase in aggregate reserves for life and accident and health policies and contracts	917,510	915,763	1,139,669
Other benefits	10,528	12,032	11,991
Total benefits	<u>7,474,282</u>	<u>6,444,539</u>	<u>6,066,938</u>
Commissions	196,489	199,814	181,567
Other insurance expenses	488,250	522,610	544,488
Net transfers from separate accounts	(1,112,465)	(944,644)	(101,482)
Total benefit and expenses	<u>7,046,556</u>	<u>6,222,319</u>	<u>6,691,511</u>
Net gain from operations before dividends to policyholders, federal income taxes and realized capital gains (losses)	318,596	258,849	109,663
Dividends to policyholders	31,276	38,782	45,842
Net gain from operations after dividends to policyholders and before federal income taxes and net realized capital gains (losses)	287,320	220,067	63,821
Federal income tax (benefit) expense	(17,604)	50,584	(37,932)
Net gain from operations before net realized capital gains (losses)	304,924	169,483	101,753
Net realized capital gains (losses) less capital gains tax and transfers to interest maintenance reserve	10,576	535	(1,096)
Statutory net income	<u>\$ 315,500</u>	<u>\$ 170,018</u>	<u>\$ 100,657</u>

See notes to statutory financial statements.

GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY

Statutory Statements of Changes in Capital and Surplus

Years Ended December 31, 2018, 2017 and 2016

(In Thousands)

	Year Ended December 31,		
	2018	2017	2016
Capital and surplus, beginning of year	\$ 1,129,509	\$ 1,053,333	\$ 1,114,764
Statutory net income	315,500	170,018	100,657
Dividends to stockholder	(152,295)	(145,301)	(125,691)
Change in net unrealized capital (losses) gains, net of income taxes	(11,491)	(17,021)	(32,223)
Change in minimum pension liability, net of income taxes	3,824	2,459	(1,863)
Change in asset valuation reserve	(846)	(18,503)	6,171
Change in non-admitted assets	28,921	96,814	(47,306)
Change in net deferred income taxes	(40,732)	(110,528)	16,605
Change in liability for reinsurance in unauthorized companies	—	2	—
Capital paid-in	—	27	60
Surplus paid-in	4,093	86,480	22,359
Change in capital and surplus as a result of separate accounts	(208)	(211)	(150)
Change in unrealized foreign exchange capital (losses) gains	(1,125)	(88)	(78)
Change in surplus note	51,769	12,028	28
Net change in capital and surplus for the year	197,410	76,176	(61,431)
Capital and surplus, end of year	\$ 1,326,919	\$ 1,129,509	\$ 1,053,333

See notes to statutory financial statements.

GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY

Statutory Statements of Cash Flows
Years Ended December 31, 2018, 2017 and 2016
(In Thousands)

	Year Ended December 31,		
	2018	2017	2016
Operating activities:			
Premium income, net of reinsurance	\$ 5,352,630	\$ 5,208,527	\$ 5,910,875
Investment income received, net of investment expenses paid	1,136,338	1,111,282	1,080,450
Other miscellaneous expense received (paid)	160,008	(77,825)	(23,874)
Benefit and loss related payments, net of reinsurance	(6,417,233)	(5,393,966)	(4,671,246)
Net transfers to separate accounts	1,097,423	909,388	99,783
Commissions, other expenses and taxes paid	(644,838)	(669,995)	(687,938)
Dividends paid to policyholders	(38,959)	(46,583)	(51,521)
Federal income taxes (paid) received, net	(38,241)	(15,138)	15,711
Net cash provided by operating activities	<u>607,128</u>	<u>1,025,690</u>	<u>1,672,240</u>
Investing activities:			
Proceeds from investments sold, matured or repaid:			
Bonds	3,351,579	5,719,282	7,202,702
Stocks	3,704	14,597	1,539
Mortgage loans	357,545	399,982	365,790
Real estate	—	—	1,457
Other invested assets	25,233	14,614	9,883
Net gains on cash, cash equivalents and short-term investments	—	(1)	13
Miscellaneous proceeds	22,212	—	40,414
Cost of investments acquired:			
Bonds	(3,398,701)	(6,023,940)	(8,434,227)
Stocks	(38,742)	(99)	(19)
Mortgage loans	(697,245)	(844,304)	(688,991)
Real estate	(4,319)	(2,980)	(2,006)
Other invested assets	(36,870)	(31,194)	(3,985)
Miscellaneous applications	(39,654)	(67,286)	(4,708)
Net change in contract loans and premium notes	(1,355)	(12,161)	6,809
Net cash used in investing activities	<u>(456,613)</u>	<u>(833,490)</u>	<u>(1,505,329)</u>
Financing and miscellaneous activities:			
Surplus notes	51,410	12,000	—
Capital and paid in surplus	3,325	84,944	20,306
Deposit-type contract withdrawals, net of deposits	(18,908)	(21,673)	(22,342)
Dividends to stockholder	(152,295)	(145,301)	(125,691)
Funds (repaid) borrowed, net	(1,027)	2,348	4,167
Change in due to/from parent, subsidiaries and affiliates	6,013	1,485	5,987
Employee taxes paid for withheld shares	(78)	(818)	(517)
Other	(51,605)	(70,011)	(38,528)
Net cash used in financing and miscellaneous activities	<u>(163,165)</u>	<u>(137,026)</u>	<u>(156,618)</u>
Net (decrease) increase in cash, cash equivalents and short-term investments and restricted cash	(12,650)	55,174	10,293
Cash, cash equivalents and short-term investments and restricted cash:			
Beginning of year	242,084	186,910	176,617
End of year	<u>\$ 229,434</u>	<u>\$ 242,084</u>	<u>\$ 186,910</u>

The cash, cash equivalents and short-term investments and restricted cash balance at December 31, 2018 includes \$431 of restricted cash which is non-admitted and not included in the Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus.

See notes to statutory financial statements.

Continued

GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY

Statutory Statements of Cash Flows
Years Ended December 31, 2018, 2017 and 2016
(In Thousands)

	Year Ended December 31,		
	2018	2017	2016
Non-cash investing and financing transactions during the year:			
Share-based compensation expense	\$ 768	\$ 1,563	\$ (2,113)
Assets received from limited partnership investment distributions	—	—	(10)
Fair value of assets acquired in settlement of bonds	28,815	9,659	—

See notes to statutory financial statements.

Concluded

1. Organization and Significant Accounting Policies

Great-West Life & Annuity Insurance Company (the “Company” or “GWL&A”) is a direct wholly-owned subsidiary of GWL&A Financial Inc. (“GWL&A Financial”), a holding company. GWL&A Financial is a direct wholly-owned subsidiary of Great-West Lifeco U.S. LLC (“Lifeco U.S.”) and an indirect wholly-owned subsidiary of Great-West Lifeco Inc. (“Lifeco”), a Canadian holding company. The Company offers a wide range of life insurance, retirement and investment products to individuals, businesses and other private and public organizations throughout the United States. The Company is an insurance company domiciled in the State of Colorado, and is subject to regulation by the Colorado Division of Insurance (“Division”).

The Company is authorized to engage in the sale of life insurance, accident and health insurance and annuities. It is qualified to do business in all states in the United States, except New York, and in the District of Columbia, Puerto Rico, Guam and the U.S. Virgin Islands. The Company is also a licensed reinsurer in New York.

The statutory financial statements have been prepared from the separate records maintained by the Company and may not necessarily be indicative of the conditions that would have existed or the results of operations if the Company had been operated as an unaffiliated company.

Accounting policies and use of estimates

The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the Division. The Division requires that insurance companies domiciled in the State of Colorado prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners Accounting Practices and Procedures Manual (“NAIC SAP”), subject to any deviations prescribed or permitted by the State of Colorado Insurance Commissioner.

The only prescribed deviation that impacts the Company allows the Company to account for certain separate account products at book value instead of fair value. The Division has not permitted the Company to adopt any accounting practices that have an impact on the Company’s statutory financial statements as compared to NAIC SAP or the Division’s prescribed accounting practices. There is no impact to either capital and surplus or net income as a result of the prescribed accounting practice.

Statutory accounting principles vary in some respects from accounting principles generally accepted in the United States of America (“GAAP”). The more significant of these differences are as follows:

- Bonds, including loan-backed and structured securities (collectively referred to as “bonds”), are carried at statutory adjusted carrying value in accordance with the National Association of Insurance Commissioners (“NAIC”) designation of the security. Carrying value is amortized cost, unless the bond is either (a) designated as a six, in which case it is the lower of amortized cost or fair value or (b) required to be carried at fair value due to the structured securities ratings methodology. Under GAAP, bonds are carried at amortized cost for securities classified as held-to-maturity and fair value for securities classified as available-for-sale and held-for-trading.
- Short-term investments include all investments whose remaining maturities, at the time of acquisition, are three months to one year. Under GAAP, short-term investments include securities purchased with investment intent and with initial remaining maturities of one year or less.
- As prescribed by the NAIC, the asset valuation reserve (“AVR”) is computed in accordance with a prescribed formula and represents a provision for possible non-interest related fluctuations in the value of bonds equity securities, mortgage loans, real estate and other invested assets. Changes to the AVR are charged or credited directly to unassigned surplus. This type of reserve is not necessary or required under GAAP.
- As prescribed by the NAIC, the interest maintenance reserve (“IMR”) consists of net accumulated unamortized realized capital gains and losses, net of income taxes, on sales or interest related impairments of bonds and derivative investments attributable to changes in the general level of interest rates. Such gains or losses are initially deferred and then amortized into income over the remaining period to maturity, based on groupings of individual securities sold in five-year bands. An IMR asset is designated as a non-admitted asset and is recorded as a reduction to capital and surplus. Under GAAP, realized gains and losses are recognized in income in the period in which a security is sold.

- As prescribed by the NAIC, an other-than-temporary impairment (“OTTI”) is recorded (a) if it is probable that the Company will be unable to collect all amounts due according to the contractual terms in effect at the date of acquisition, (b) if the Company has the intent to sell the investment or (c) for non-interest related declines in value and where the Company does not have the intent and ability at the reporting date, to hold the bond until its recovery. Under GAAP, if either (a) management has the intent to sell a bond investment or (b) it is more likely than not the Company will be required to sell a bond investment before its anticipated recovery, a charge is recorded in net realized investment losses equal to the difference between the fair value and cost or amortized cost basis of the security. If management does not intend to sell the security and it is not more likely than not the Company will be required to sell the bond investment before recovery of its amortized cost basis, but the present value of the cash flows expected to be collected (discounted at the effective interest rate implicit in the bond investment prior to impairment) is less than the amortized cost basis of the bond investment (referred to as the credit loss portion), an OTTI is considered to have occurred.

Under GAAP, total OTTI is bifurcated into two components: the amount related to the credit loss, which is recognized in current period earnings through realized capital losses; and the amount attributed to other factors (referred to as the non-credit portion), which is recognized as a separate component in accumulated other comprehensive income (loss). As prescribed by the NAIC, non-interest related OTTI is only bifurcated on loan-backed and structured securities. Factors related to interest and other components do not have a financial statement impact and are disclosed in “Unrealized losses and OTTI” in the notes to the statutory financial statements.

- Derivatives that qualify for hedge accounting are carried at the same valuation method as the underlying hedged asset, while derivatives that do not qualify for hedge accounting are carried at fair value. Under GAAP, all derivatives, regardless of hedge accounting treatment, are recorded on the balance sheet in other assets or other liabilities at fair value. As prescribed by the NAIC, for those derivatives which qualify for hedge accounting, the change in the carrying value or cash flow of the derivative is recorded consistently with how the changes in the carrying value or cash flow of the hedged asset, liability, firm commitment or forecasted transaction are recorded. Under GAAP, if the derivative is designated as a cash flow hedge, the effective portions of the changes in the fair value of the derivative are recorded in accumulated other comprehensive income and are recognized in the income statements when the hedged item affects earnings. Changes in fair value resulting from foreign currency translations are recorded in either AOCI or net investment income, consistent with where they are recorded on the underlying hedged asset or liability. Changes in the fair value, including changes resulting from foreign currency translations, of derivatives not eligible for hedge accounting or where hedge accounting is not elected and the over effective portion of cash flow hedges are recognized in investment gains (losses) as a component of net income in the period of the change. Realized foreign currency transactional gains and losses on derivatives subject to hedge accounting are recorded in net investment income, whereas those on derivatives not subject to hedge accounting are recorded in investment gains (losses). As prescribed by the NAIC, upon termination of a derivative that qualifies for hedge accounting, the gain or loss is recognized in income in a manner that is consistent with the hedged item. Alternatively, if the item being hedged is subject to IMR, the gain or loss on the hedging derivative is realized and is subject to IMR upon termination. Under GAAP, gains or losses on terminated contracts that are effective hedges are recorded in earnings in net investment income or other comprehensive income. The gains or losses on terminated contracts where hedge accounting is not elected, or contracts that are not eligible for hedge accounting, are recorded in investment gains (losses).
- The Company enters into dollar repurchase agreements with third party broker-dealers. The Company does not enter into these types of transactions for liquidity purposes, but rather for yield enhancement on its investment portfolio. The dollar repurchase trading strategy involves the sale of securities, with a simultaneous agreement to repurchase similar securities at a future date at an agreed-upon price. Assets to be repurchased are the same, or substantially the same, as the assets transferred, and are accounted for as secured borrowings. Under GAAP, these transactions are recorded as forward settling to be announced (“TBA”) securities that are accounted for as derivative instruments, but hedge accounting is not elected as the Company does not regularly accept delivery of such securities when issued.
- Acquisition costs, such as commissions and other costs incurred in connection with acquiring new business, are charged to operations as incurred, rather than deferred and amortized over the lives of the related contracts as under GAAP.
- Deferred income taxes are recorded using the asset and liability method in which deferred tax assets and liabilities are recorded for expected future tax consequences of events that have been recognized in either the Company’s statutory financial statements or tax returns. Deferred income tax assets are subject to limitations prescribed by statutory accounting

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principles. The change in deferred income taxes is treated as a component of the change in unassigned funds, whereas under GAAP deferred taxes are included in the determination of net income.

- Certain assets, including various receivables, furniture and equipment and prepaid assets, are designated as non-admitted assets and are recorded as a reduction to capital and surplus, whereas they are recorded as assets under GAAP.
- The excess of the cost of acquiring an entity over the Company's share of the book value of the acquired entity is recorded as goodwill which is admissible subject to limitations and is amortized over the period in which the Company benefits economically, not to exceed ten years. Under GAAP, the excess of the cost of acquiring an entity over the acquisition-date fair value of identifiable assets acquired and liabilities assumed is allocated between goodwill, indefinite-lived intangible assets and definite-lived intangible assets. Goodwill and indefinite-lived intangible assets are not amortized and definite-lived intangible assets are amortized over their estimated useful lives under GAAP.
- Aggregate reserves for life policies and contracts are based on statutory mortality and interest requirements and without consideration of withdrawals, which differ from reserves established under GAAP that are based on assumptions using Company experience for mortality, interest, and withdrawals.
- As prescribed by the NAIC, ceded reserves are limited to the amount of direct reserves. Ceded aggregate reserves and policy and contract claim liabilities are netted against aggregate reserves for life policies and contracts for statutory accounting purposes. Under GAAP, these items are reported as reinsurance recoverable.
- Surplus notes are reflected as a component of capital and surplus, whereas under GAAP they are reflected as a liability.
- The policyholder's share of net income on participating policies that has not been distributed to participating policyholders is included in capital and surplus in the statutory financial statements. For GAAP, these amounts are reported as a liability with a charge to net income.
- Changes in separate account values from cash transactions are recorded as premium income and benefit expenses whereas they do not impact the statement of operations under GAAP and are presented only as increases or decreases to account balances.
- Benefit payments and the related decrease in policy reserves are recorded as expenses for all contracts subjecting the Company to any mortality risk. Under GAAP, such benefit payments for life and annuity contracts without significant mortality risks are recorded as direct reductions to the policy reserve liability.
- Premium receipts and the related increase in policy reserves are recorded as revenues and expenses, respectively, for all contracts subjecting the Company to any mortality risk. Under GAAP, such premium receipts for life and annuity contracts without significant mortality risks are recorded as direct credits to the policy reserve liability.
- Comprehensive income and its components are not presented in the statutory financial statements.
- The Statutory Statement of Cash Flows is presented based on a prescribed format for statutory reporting. For purposes of presenting statutory cash flows, cash includes short-term investments. Under GAAP, the statement of cash flows is typically presented based on the indirect method and cash excludes short-term investments.

The preparation of financial statements in conformity with statutory accounting principles requires the Company's management to make a variety of estimates and assumptions. These estimates and assumptions affect, among other things, the reported amounts of admitted assets and liabilities, the disclosure of contingent liabilities and the reported amounts of revenues and expenses. Significant estimates are required to account for items and matters such as, but not limited to, the valuation of investments in the absence of quoted market values, impairment of investments, valuation of policy benefit liabilities and the valuation of deferred tax assets. Actual results could differ from those estimates.

Significant statutory accounting policies***Investments***

Investments are reported as follows:

- In accordance with the NAIC SAP, the adjusted carrying value amounts of certain assets are gross of non-admitted assets. Bonds are carried at statutory adjusted carrying value in accordance with the NAIC designation of the security. Carrying value is amortized cost, unless the bond is either (a) designated as a six, in which case it is the lower of amortized cost or fair value or (b) required to be carried at fair value due to the structured securities ratings methodology. The Company recognizes the acquisition of its public bonds on a trade date basis and its private placement investments on a funding date basis. Bonds containing call provisions are amortized to the call or maturity value/date which produces the lowest asset value.

Premiums and discounts are recognized as a component of net investment income using the effective interest method. Realized gains and losses not subject to IMR, including those from foreign currency translations, are included in net realized capital gains (losses).

The recognition of income on certain investments (e.g. loan-backed securities, including mortgage-backed and asset-backed securities) is dependent upon market conditions, which may result in prepayments and changes in amounts to be earned. Prepayments on all mortgage-backed and asset-backed securities are monitored monthly, and amortization of the premium and/or the accretion of the discount associated with the purchase of such securities are adjusted by such prepayments. Prepayment assumptions are based on the average of recent historical prepayments and are obtained from broker/dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment. Significant changes in estimated cash flows from the original purchase assumptions are accounted for using the retrospective method.

- Mortgage loans consist primarily of domestic commercial collateralized loans and are carried at their unpaid principal balances adjusted for any unamortized premiums or discounts, allowances for credit losses, and foreign currency translations. Interest income is accrued on the unpaid principal balance for all loans, except for loans on non-accrual status. Premiums and discounts are amortized to net investment income using the effective interest method. Prepayment penalty and origination fees are recognized in net investment income upon receipt.

The Company actively manages its mortgage loan portfolio by completing ongoing comprehensive analysis of factors such as debt service coverage ratios, loan-to-value ratios, payment status, default or legal status, annual collateral property evaluations and general market conditions. On a quarterly basis, the Company reviews the above primary credit quality indicators in its internal risk assessment of loan impairment and credit loss. Management's risk assessment process is subjective and includes the categorization of all loans, based on the above mentioned credit quality indicators, into one of the following categories:

- Performing - generally indicates the loan has standard market risk and is within its original underwriting guidelines.
- Non-performing - generally indicates there is a potential for loss due to the deterioration of financial/monetary default indicators or potential foreclosure. Due to the potential for loss, these loans are evaluated for impairment.

The adequacy of the Company's allowance for credit loss is reviewed quarterly. The determination of the calculation and the adequacy of the mortgage allowance for credit loss and mortgage impairments involve judgments that incorporate qualitative and quantitative Company and industry mortgage performance data. Management's periodic evaluation and assessment of the adequacy of the mortgage allowance for credit loss and the need for mortgage impairments is based on known and inherent risks in the portfolio, adverse situations that may affect the borrower's ability to repay, the fair value of the underlying collateral, composition of the loan portfolio, current economic conditions, loss experience and other relevant factors. Loans included in the non-performing category and other loans with certain substandard credit quality indicators are individually reviewed to determine if a specific impairment is required. Risk is mitigated primarily through first position collateralization, guarantees, loan covenants and borrower reporting requirements. Since the Company does not originate or hold uncollateralized mortgages, loans are generally not deemed fully uncollectable. Generally, unrecoverable amounts are written off during the final stage of the foreclosure process.

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Loan balances are considered past due when payment has not been received based on contractually agreed upon terms. The accrual of interest is discontinued when concerns exist regarding the realization of loan principal or interest. The Company resumes interest accrual on loans when a loan returns to current status or under new terms when loans are restructured or modified.

On a quarterly basis, any loans with terms that were modified during that period are reviewed to determine if the loan modifications constitute a troubled debt restructuring ("TDR"). In evaluating whether a loan modification constitutes a TDR, it must be determined that the modification is a significant concession and the debtor is experiencing financial difficulties.

- Real estate properties held for the production of income are valued at depreciated cost less encumbrances. Properties held for sale are carried at the lower of depreciated cost or fair value less encumbrances and estimated costs to sell the property. Real estate is depreciated on a straight-line basis over the estimated life of the building or term of the lease for tenant improvements.
- Real estate properties occupied by the Company are carried at depreciated cost unless the carrying amount of the asset is deemed to be unrecoverable. The Company includes in both net investment income and other operating expenses an amount for rent relating to real estate properties occupied by the Company. Rent is derived from consideration of the repairs, expenses, taxes, interest and depreciation incurred. The reasonableness of the amount of rent recorded is verified by comparison to rent received from other like properties in the same area.
- Limited partnership interests are included in other invested assets and are accounted for using either net asset value per share ("NAV") as a practical expedient to fair value or the equity method of accounting with changes in these values recognized in unassigned surplus in the period of change. The Company uses NAV as a practical expedient on partnership interests in investment companies where it has a minor equity interest and no significant influence over the entity's operations. The Company uses the equity method when it has a partnership interest that is considered more than minor, although the Company has no significant influence over the entity's operations.
- Common stocks, other than stocks of subsidiaries, are recorded at fair value based on the most recent closing price of the common stock as quoted on its exchange. Related party mutual funds, which are carried at fair value, are also included in common stocks. The net unrealized gain or loss on common stocks is reported as a component of surplus.
- Contract loans are carried at their unpaid balance. Contract loans are fully collateralized by the cash surrender value of the associated insurance policy.
- Short-term investments include all investments whose remaining maturities, at the time of acquisition, are three months to one year. Cash equivalent investments include all investments whose remaining maturities, at the time of acquisition, are three months or less. Both short-term and cash equivalent investments, excluding money market mutual funds, are stated at amortized cost, which approximates fair value. Cash equivalent investments also include highly liquid money market securities that are traded in an active market, and are carried at fair value.
- The Company enters into reverse repurchase agreements with third party broker-dealers for the purpose of enhancing the total return on its investment portfolio. The repurchase trading strategy involves the purchase of securities, with a simultaneous agreement to resell similar securities at a future date at an agreed-upon price. Securities purchased under these agreements are accounted for as secured borrowings, and are reported at amortized cost in cash, cash equivalents and short-term investments. Under these tri-party repurchase agreements, the designated custodian takes possession of the underlying collateral on the Company's behalf, which is required to be cash or government securities. The fair value of the securities is monitored and additional collateral is obtained, where appropriate, to protect against credit exposure. The collateral cannot be sold or re-pledged and has not been recorded on the Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus.

The Company enters into dollar repurchase agreements with third party broker-dealers. The Company does not enter into these types of transactions for liquidity purposes, but rather for yield enhancement on its investment portfolio. The dollar repurchase trading strategy involves the sale of securities, with a simultaneous agreement to repurchase similar securities at a future date at an agreed-upon price. Assets to be repurchased are the same, or substantially the same, as the assets transferred, and are accounted for as secured borrowings. Proceeds of the sale are reinvested in other securities and may

enhance the current yield and total return. The difference between the sales price and the future repurchase price is recorded as an adjustment to net investment income. During the period between the sale and repurchase, the Company will not be entitled to receive interest and principal payments on the securities sold. Losses may arise from changes in the value of the securities or if the counterparty enters bankruptcy proceedings or becomes insolvent. In such cases, the Company's right to repurchase the security may be restricted. Amounts owed to brokers under these arrangements are included as a liability in repurchase agreements.

The Company participates in a securities lending program in which the Company lends securities that are held as part of its general account investment portfolio to third parties. The Company does not enter into these types of transactions for liquidity purposes, but rather for yield enhancement on its investment portfolio. The borrower can return and the Company can request the loaned securities be returned at any time. The Company maintains ownership of the securities at all times and is entitled to receive from the borrower any payments for interest received on such securities during the loan term. Securities lending transactions are accounted for as secured borrowings. The securities on loan are included within bonds and short-term investments in the accompanying Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus. The securities lending agent indemnifies the Company against borrower risk, meaning that the lending agent agrees contractually to replace securities not returned due to a borrower default. The Company generally requires initial cash collateral in an amount greater than or equal to 102% of the fair value of domestic securities loaned and 105% of foreign securities loaned. Such collateral is used to replace the securities loaned in event of default by the borrower. Some cash collateral is reinvested in short-term repurchase agreements which are also collateralized by U.S. Government or U.S. Government Agency securities. Reinvested cash collateral is reported in securities lending reinvested collateral assets, with a corresponding liability in payable for securities lending. Collateral that cannot be sold or replighted is excluded from the Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus.

- The Company's OTTI accounting policy requires that a decline in the value of a bond below its cost or amortized cost basis be assessed to determine if the decline is other-than-temporary. An OTTI is recorded (a) if it is probable that the Company will be unable to collect all amounts due according to the contractual terms in effect at the date of acquisition, (b) if the Company has the intent to sell the investment or (c) for non-interest related declines in value and where the Company does not have the intent and ability at the reporting date, to hold the bond until its recovery. Management considers a wide range of factors, as described below, regarding the bond issuer and uses its best judgment in evaluating the cause of the decline in its estimated fair value and in assessing the prospects for near-term recovery. Inherent in management's evaluation of the bond are assumptions and estimates about the operations and ability to generate future cash flows. While all available information is taken into account, it is difficult to predict the ultimate recoverable amount from a distressed or impaired bond.

Considerations used by the Company in the impairment evaluation process include, but are not limited to, the following:

- The extent to which estimated fair value is below cost;
- Whether the decline in fair value is attributable to specific adverse conditions affecting a particular instrument, its issuer, an industry or geographic area;
- The length of time for which the estimated fair value has been below cost;
- Downgrade of a bond investment by a credit rating agency;
- Deterioration of the financial condition of the issuer;
- The payment structure of the bond investment and the likelihood of the issuer being able to make payments in the future; and
- Whether dividends have been reduced or eliminated or scheduled interest payments have not been made.

For loan-backed and structured securities, if management does not intend to sell the bond and has the intent and ability to hold the bond until recovery of its amortized cost basis, but the present value of the cash flows expected to be collected (discounted at the effective interest rate implicit in the bond prior to impairment) is less than the amortized cost basis of the bond (referred to as the non-interest loss portion), an OTTI is considered to have occurred. In this instance, total OTTI is bifurcated into two components: the amount related to the non-interest loss is recognized in current period earnings through realized capital gains (losses); and the amount attributed to other factors does not have any financial impact and is disclosed only in the notes to the statutory financial statements. The calculation of expected cash flows utilized during the impairment evaluation process are determined using judgment and the best information available to the Company including default rates, credit ratings, collateral characteristics and current levels of subordination.

For bonds not backed by other loans or assets, if management does not intend to sell the bond and has the intent and ability to hold, but does not expect to recover the entire cost basis, an OTTI is considered to have occurred. A charge is recorded in net realized capital gains (losses) equal to the difference between the fair value and cost or amortized cost basis of the bond. After the recognition of an OTTI, the bond is accounted for as if it had been purchased on the measurement date of the OTTI, with an amortized cost basis equal to the previous amortized cost basis less the OTTI recognized in net income. The difference between the new amortized cost basis and the expected future cash flows is accreted into net investment income. The Company continues to estimate the present value of cash flows expected to be collected over the life of the bond.

Fair value

Certain assets and liabilities are recorded at fair value on the Company's Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus. The Company defines fair value as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company categorizes its assets and liabilities measured at fair value into a three-level hierarchy, based on the priority of the inputs to the respective valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Company's assets and liabilities have been categorized based upon the following fair value hierarchy:

- Level 1 inputs which are utilized for separate account assets and liabilities, utilize observable, quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date. Financial assets utilizing Level 1 inputs include certain mutual funds.
- Level 2 inputs utilize other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs, which are utilized for general and separate account assets and liabilities, include quoted prices for similar assets and liabilities in active markets and inputs, other than quoted prices, that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals. The fair values for some Level 2 securities are obtained from pricing services. The inputs used by the pricing services are reviewed at least quarterly or when the pricing vendor issues updates to its pricing methodology. For bond and separate account assets and liabilities, inputs include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, evaluated bids, offers and reference data including market research publications. Additional inputs utilized for assets and liabilities classified as Level 2 are:
 - Derivative instruments - trading activity, swap curves, credit spreads, currency volatility, net present value of cash flows and news sources.
 - Separate account assets and liabilities - various index data and news sources, amortized cost (which approximates fair value), trading activity, swap curves, credit spreads, recovery rates, restructuring, net present value of cash flows and quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3 inputs are unobservable and include situations where there is little, if any, market activity for the asset or liability. In general, the prices of Level 3 securities are obtained from single broker quotes and internal pricing models. If the broker's inputs are largely unobservable, the valuation is classified as a Level 3. Broker quotes are validated through an internal analyst review process, which includes validation through known market conditions and other relevant data, as noted below. Internal models are usually cash flow based utilizing characteristics of the underlying collateral of the security such as default rate and other relevant data. Inputs utilized for securities classified as Level 3 are as follows:
 - Corporate debt securities - unadjusted single broker quotes which may be in an illiquid market or otherwise deemed unobservable.

The fair value of certain investments in the separate accounts and limited partnerships are estimated using net asset value per share as a practical expedient, and are excluded from the fair value hierarchy levels in Note 5. These net asset values are based on the fair value of the underlying investments, less liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

Overall, transfers between levels are attributable to a change in the observability of inputs. Assets are transferred to a lower level in the hierarchy when a significant input cannot be corroborated with market observable data. This may occur when market activity decreases and underlying inputs cannot be observed, current prices are not available, and/or when there are significant variances in quoted prices, thereby affecting transparency. Assets are transferred to a higher level in the hierarchy when circumstances change such that a significant input can be corroborated with market observable data. This may be due to a significant increase in market activity including recent trades, a specific event, or one or more significant input(s) becoming observable. All transfers between levels are recognized at the beginning of the reporting period in which the transfer occurred. There were no transfers during the year.

The policies and procedures utilized to review, account for, and report on the value and level of the Company's securities were determined and implemented by the Finance division. The Investments division is responsible for the processes related to security purchases and sales and provides valuation and leveling input to the Finance division when necessary. Both divisions within the Company have worked in conjunction to establish thorough pricing, review, approval, accounting, and reporting policies and procedures around the securities valuation process.

In some instances, securities are priced using external broker quotes. In most cases, when broker quotes are used as pricing inputs, more than one broker quote is obtained. External broker quotes are reviewed internally by comparing the quotes to similar securities in the public market and/or to vendor pricing, if available. Additionally, external broker quotes are compared to market reported trade activity to ascertain whether the price is reasonable, reflective of the current market prices, and takes into account the characteristics of the Company's securities.

Derivative financial instruments

The Company enters into derivative transactions which include the use of interest rate swaps, interest rate swaptions, cross-currency swaps, foreign currency forwards, U.S. government treasury futures contracts, Eurodollar futures contracts, futures on equity indices and interest rate swap futures. The Company uses these derivative instruments to manage various risks, including interest rate and foreign currency exchange rate risk associated with its invested assets and liabilities. Derivative instruments are not used for speculative reasons. Certain of the Company's over-the-counter ("OTC") derivatives are cleared and settled through a central clearing counterparty while others are bilateral contracts between the Company and a counterparty.

Derivatives are reported as other invested assets or other liabilities. Although some derivatives are executed under a master netting arrangement, the Company does not offset in the Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus the carrying value of those derivative instruments and the related cash collateral or net derivative receivables and payables executed with the same counterparty under the same master netting arrangement. Derivatives that qualify for hedge accounting treatment are valued using the valuation method (either amortized cost or fair value) consistent with the underlying hedged asset or liability. At inception of a derivative transaction, the hedge relationship and risk management objective is documented and the designation of the derivative is determined based on specific criteria of the transaction. Derivatives where hedge accounting is either not elected, or that are not eligible for hedge accounting, are stated at fair value with changes in fair value recognized in unassigned surplus in the period of change. Investment gains and losses generally result from the termination of derivative contracts prior to expiration and are generally recognized in net income and may be subject to IMR.

The Company uses derivative financial instruments for risk management purposes associated with certain invested assets and policy liabilities. Derivatives are used to (a) hedge the economic effects of interest rate and stock market movements on the Company's guaranteed lifetime withdrawal benefit ("GLWB") liability, (b) hedge the economic effect of a large increase in interest rates on the Company's general account life insurance, group pension liabilities and certain separate account life insurance liabilities, (c) hedge the economic risks of other transactions such as future asset acquisitions or dispositions, the timing of liability pricing, currency risks on non-U.S. dollar denominated assets, and (d) convert floating rate assets or debt obligations to fixed rate assets or debt obligations for asset/liability management purposes.

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The Company controls the credit risk of its derivative contracts through credit approvals, limits, monitoring procedures and in many cases, requiring collateral. The Company's exposure is limited to the portion of the fair value of derivative instruments that exceeds the value of the collateral held and not to the notional or contractual amounts of the derivatives.

Derivatives in a net asset position may have cash or securities pledged as collateral to the Company in accordance with the collateral support agreements with the counterparty. This collateral is held in a custodial account for the benefit of the Company. Unrestricted cash collateral is included in other assets and the obligation to return it is included in other liabilities. The cash collateral is reinvested in a government money market fund. Cash collateral pledged by the Company is included in other assets.

The Company may purchase a financial instrument that contains a derivative embedded in the financial instrument. Contracts that do not in their entirety meet the definition of a derivative instrument, may contain "embedded" derivative instruments implicit or explicit terms that affect some or all of the cash flows or the value of other exchanges required by the contract in a manner similar to a derivative instrument. An embedded derivative instrument shall not be separated from the host contract and accounted for separately as a derivative instrument.

Goodwill

Goodwill, resulting from acquisitions of subsidiaries that are reported in common stock and other invested assets, is amortized to unrealized capital gains/(losses) over the period in which the Company benefits economically, not to exceed ten years. Goodwill resulting from assumption reinsurance is reported in goodwill and is amortized to other insurance expenses over the period in which the Company benefits economically, not to exceed ten years. Admissible goodwill is limited in the aggregate to 10% of the Company's adjusted capital and surplus. The Company tests goodwill for impairment annually or more frequently if events or circumstances indicate that there may be justification for conducting an interim test. If the carrying value of goodwill exceeds its fair value, the excess is recognized as impairment and recorded as a realized loss in the period in which the impairment is identified. There were no impairments of goodwill recognized during the years ended December 31, 2018 and 2017.

Cash value of company owned life insurance

The Company is the owner and beneficiary of life insurance policies which are included in Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus at their cash surrender values. At December 31, 2018, the investments underlying variable life insurance policies utilize various fund structures, with underlying investment characteristics of 8% equity and 92% fixed income.

Net investment income

Interest income from bonds is recognized when earned. Interest income on contract loans is recognized in net investment income at the contract interest rate when earned. All investment income due and accrued with amounts that are deemed uncollectible or that are over 90 days past due, including mortgage loans in default ("in process of foreclosure"), is not included in investment income. Amounts over 90 days past due are non-admitted assets and are recorded as a reduction to unassigned surplus. Real estate due and accrued income is excluded from net investment income if its collection is uncertain.

Net realized capital gains (losses)

Realized capital gains and losses are reported as a component of net income and are determined on a specific identification basis. Interest-related gains and losses are primarily subject to IMR, while non-interest related gains and losses are primarily subject to AVR. Realized capital gains and losses also result from the termination of derivative contracts prior to expiration and may be subject to IMR.

Policy reserves

Life insurance and annuity policy reserves with life contingencies are computed on the basis of statutory mortality and interest requirements and without consideration for withdrawals. Annuity contract reserves without life contingencies are computed on the basis of statutory interest requirements.

Policy reserves for life insurance are valued in accordance with the provision of applicable statutory regulations. Life insurance reserves are determined principally using the Commissioner's Reserve Valuation Method, using the statutory mortality and interest requirements, without consideration for withdrawals. Some policies contain a surrender value in excess of the reserve as legally computed. This excess is calculated and recorded on a policy-by-policy basis.

Premium stabilization reserves are calculated for certain policies to reflect the Company's estimate of experience refunds and interest accumulations on these policies. The reserves are invested by the Company. The income earned on these investments is accumulated in this reserve and is used to mitigate future premium rate increases for such policies.

Policy reserves ceded to other insurance companies are recorded as a reduction of the reserve liabilities. The cost of reinsurance related to long-duration contracts is accounted for over the life of the underlying reinsured policies using assumptions consistent with those used to account for the underlying policies.

Policy and contract claims include provisions for reported life and health claims in process of settlement, valued in accordance with the terms of the related policies and contracts, as well as provisions for claims incurred but not reported based primarily on prior experience of the Company. As such, amounts are estimates, and the ultimate liability may differ from the amount recorded. Any changes in estimates will be reflected in the results of operations when additional information becomes known.

The liabilities for health claim reserves are determined using historical run-out rates, expected loss ratios and statistical analysis. The Company provides for significant claim volatility in areas where experience has fluctuated. The liabilities represent estimates of the ultimate net cost of all reported and unreported claims which are unpaid at year-end. Those estimates are subject to considerable variability in claim severity and frequency. The estimates are continually reviewed and adjusted as necessary as experience develops or new information becomes known; such adjustments are included in current operations.

Premium, fee income and expenses

Life insurance premiums are recognized when due. Annuity considerations are recognized as revenue when received. Accident and health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Life and accident and health insurance premiums received in advance are recorded as a liability and recognized as income when the premiums become earned. Fees from assets under management, assets under administration, shareholder servicing, mortality and expense risk charges, administration and record-keeping services and investment advisory services are recognized when earned in fee income or other income. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

Income taxes

The Company is included in the consolidated federal income tax return of Lifeco U.S. The federal income tax expense reported in the Statutory Statements of Operations represent income taxes provided on income that is currently taxable, excluding tax on net realized capital gains and losses. A net deferred tax asset is included in the Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus which is recorded using the asset and liability method in which deferred tax assets and liabilities are recorded for expected future tax consequences of events that have been recognized in either the Company's statutory financial statements or tax returns. Deferred income tax assets are subject to limitations prescribed by statutory accounting principles. The change in deferred income taxes is treated as a component of the change in unassigned funds.

2. Accounting Changes

Changes in Accounting Principles

In 2009, the NAIC introduced Principle-Based Reserving ("PBR") as a new method for calculating life insurance policy reserves. In cases where the PBR reserve is higher, it will replace the historic formulaic measure with one that more accurately reflects the risks of highly complex products. PBR is effective for 2017; however, companies are permitted to delay implementation until January 1, 2020. The Company will defer implementation for life and fixed annuity contracts until January 1, 2020 and is currently evaluating impact of adoption of PBR on its statutory financial statements.

In 2018, the Statutory Accounting Principles Working Group adopted, as final, a new SSAP No. 108, *Derivatives Hedging Variable Annuity Guarantees*, and a corresponding Issue Paper No. 159, *Special Accounting for Limited Derivatives*. The new SSAP, which prescribes guidance for derivatives that hedge interest rate risk of variable annuity guarantees, was adopted with

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an effective date of January 1, 2020, with early adoption permitted as of January 1, 2019. The Company is currently evaluating impact of adoption of this elective guidance on its statutory financial statements.

3. Related Party Transactions

In the normal course of business the Company enters into agreements with related parties whereby it provides and/or receives record-keeping services, investment advisory services, and tax-related services, as well as corporate support services which include general and administrative services, information technology services, sales and service support and marketing services. The following table presents revenue earned, expenses incurred and expense reimbursement from insurance and non-insurance related parties for services provided and/or received pursuant to the service agreements. These amounts, in accordance with the terms of the contracts, are based upon market price, estimated costs incurred or resources expended as determined by number of policies, certificates in-force, administered assets or other similar drivers.

Description	Related party	Year Ended December 31,			Financial statement line
		2018	2017	2016	
Provides corporate support service	Insurance affiliates: Great-West Life & Annuity Insurance Company of New York ("GWL&A NY") ⁽¹⁾ , Great-West Life & Annuity Insurance Company of South Carolina ("GWSC") ⁽¹⁾ , The Canada Life Assurance Company ("CLAC") ⁽²⁾ and Great-West Life Assurance Company ("Great-West Life") ⁽²⁾	\$ (15,522)	\$ (14,610)	\$ (14,895)	Other insurance benefits and expenses
	Non-insurance affiliates: FASCore, LLC ("FASCore") ⁽¹⁾ , Advised Assets Group, LLC ("AAG") ⁽¹⁾ , Great-West Capital Management, LLC ("GWCM") ⁽¹⁾ , Great-West Trust Company, LLC ("GWTC") ⁽¹⁾ , GWFS Equities, Inc. ("GWFS") ⁽¹⁾ , Great-West Financial Retirement Plan Services ("Great-West RPS") ⁽¹⁾ , Emjay, Inc. ⁽¹⁾ , MAM Holding Inc. ⁽²⁾ and Putnam ⁽³⁾	(142,424)	(113,504)	(102,698)	
	Total	(157,946)	(128,114)	(117,593)	
Receives corporate support services	Insurance affiliates: CLAC ⁽¹⁾ and Great-West Life ⁽¹⁾	1,711	1,966	1,999	Other insurance benefits and expenses
	Non-insurance affiliates: Putnam ⁽²⁾ and Great West Global ⁽²⁾	3,381	3,128	5,922	
	Total	5,092	5,094	7,921	
Provides marketing, distribution and administrative services to certain underlying funds and/or mutual funds	Non-insurance affiliate: GWFS ⁽¹⁾	198,976	202,880	203,288	Other income
Provides record-keeping services	Non-insurance affiliates: GWTC ⁽¹⁾	38,200	30,517	21,110	Other income
	Non-insurance related party: Great-West Funds ⁽⁴⁾	65,281	65,743	57,867	
	Total	103,481	96,260	78,977	
Receives record-keeping services	Insurance affiliate: GWL&A NY ⁽¹⁾	(2,551)	(2,423)	(2,096)	Other income
	Non-insurance affiliates: FASCore ⁽¹⁾ and GWTC ⁽¹⁾	(342,803)	(316,923)	(291,945)	
	Total	(345,354)	(319,346)	(294,041)	
Receives custodial services	Non-insurance affiliate: GWTC ⁽¹⁾	(12,410)	(11,854)	(11,125)	Other income
Receives reimbursement from tax sharing indemnification related to state and local tax liabilities	Non-insurance affiliate: Putnam ⁽³⁾	9,140	9,611	12,261	Other income

⁽¹⁾ A wholly-owned subsidiary of GWL&A

⁽²⁾ An indirect wholly-owned subsidiary of Lifeco

⁽³⁾ A wholly-owned subsidiary of Lifeco U.S.

⁽⁴⁾ An open-end management investment company, a related party of GWL&A

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The Company's separate accounts invest in shares of Great-West Funds, Inc. and Putnam Funds, which are affiliates of the Company and shares of other non-affiliated mutual funds and government and corporate bonds. The Company's separate accounts include mutual funds or other investment options that purchase guaranteed interest annuity contracts issued by the Company. During the years ended December 31, 2018, 2017 and 2016, these purchases totaled \$169,857, \$292,774 and \$183,365 respectively. As the general account investment contracts are also included in the separate account balances in the accompanying statutory statements of admitted assets, liabilities, capital and surplus, the Company has included the separate account assets and liabilities of \$284,278 and \$335,311 at December 31, 2018 and 2017, respectively, which is also included in the assets and liabilities of the general account at those dates.

The following table summarizes amounts due from parent and affiliates:

Related party	Indebtedness	Due date	December 31,	
			2018	2017
GWFS ⁽¹⁾	On account	On demand	\$ 34,394	\$ 37,770
CLAC ⁽²⁾	On account	On demand	—	20,063
GWTC ⁽¹⁾	On account	On demand	5,489	4,008
GWCM ⁽¹⁾	On account	On demand	1,367	2,179
AAG ⁽¹⁾	On account	On demand	3,088	994
GWSC ⁽¹⁾	On account	On demand	1,418	878
Putnam ⁽³⁾	On account	On demand	4,027	—
Great-West RPS ⁽¹⁾	On account	On demand	324	595
Other related party receivables	On account	On demand	—	868
Total			<u>\$ 50,107</u>	<u>\$ 67,355</u>

⁽¹⁾ A wholly-owned subsidiary of GWL&A

⁽²⁾ An indirect wholly-owned subsidiary of Lifeco

⁽³⁾ A wholly-owned subsidiary of Lifeco U.S.

The following table summarizes amounts due to parent and affiliates:

Related party	Indebtedness	Due date	December 31,	
			2018	2017
FASCore ⁽¹⁾	On account	On demand	\$ 35,385	\$ 46,371
Putnam ⁽³⁾	On account	On demand	770	3,432
CLAC ⁽²⁾	On account	On demand	4,032	—
Other related party payables	On account	On demand	1,548	2,278
Total			<u>\$ 41,735</u>	<u>\$ 52,081</u>

⁽¹⁾ A wholly-owned subsidiary of GWL&A

⁽²⁾ An indirect wholly-owned subsidiary of Lifeco

⁽³⁾ A wholly-owned subsidiary of Lifeco U.S.

Included in current federal income taxes recoverable at December 31, 2018 and 2017 is \$72,188 and \$17,456, respectively, of income tax receivable from Lifeco U.S. related to the consolidated income tax return filed by Lifeco U.S.

The Company (paid) received cash payments of \$(42,577) and \$171 from its subsidiary, GWSC, in 2018 and 2017, respectively, for the utilization of GWSC's operating loss carryforward amounts under the terms of its tax sharing agreement. Additionally, during the years ended December 31, 2018, 2017 and 2016, the Company received interest income of \$2,527, \$3,044 and \$2,733, respectively, from GWSC relating to the tax sharing agreement.

During the year ended December 31, 2018, the Company received dividends and return of capital of \$106,000 and \$680, respectively, from its subsidiaries, the largest being \$42,000 from AAG. During the year ended December 31, 2017, the Company received dividends and return of capital of \$82,500 and \$1,150, respectively, from its subsidiaries, the largest being \$35,000 from FASCore.

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During the years ended December 31, 2018 and 2017, the Company paid cash dividends to GWL&A Financial in the amounts of \$152,295 and \$145,301, respectively.

The Company and GWL&A NY have an agreement whereby the Company has committed to provide GWL&A NY financial support related to the maintenance of adequate regulatory surplus and liquidity.

4. Summary of Invested Assets

Investments in bonds consist of the following:

	December 31, 2018			
	Book/adjusted carrying value	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. government	\$ 6,306	\$ 926	\$ 22	\$ 7,210
U.S. states, territories and possessions	1,025,470	91,508	672	1,116,306
Political subdivisions of states and territories	842,211	63,945	2,034	904,122
Special revenue and special assessments	687	4	—	691
Industrial and miscellaneous	12,849,382	237,900	321,254	12,766,028
Parent, subsidiaries and affiliates	15,102	—	—	15,102
Hybrid securities	234,411	77	31,209	203,279
Loan-backed and structured securities	5,680,549	91,517	96,761	5,675,305
Total bonds	\$ 20,654,118	\$ 485,877	\$ 451,952	\$ 20,688,043

	December 31, 2017			
	Book/adjusted carrying value	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. government	\$ 11,547	\$ 1,603	\$ 12	\$ 13,138
U.S. states, territories and possessions	1,054,936	130,027	123	1,184,840
Political subdivisions of states and territories	949,988	89,898	1,486	1,038,400
Special revenue and special assessments	1,993	62	—	2,055
Industrial and miscellaneous	12,536,852	537,262	60,617	13,013,497
Parent, subsidiaries and affiliates	19,912	—	—	19,912
Hybrid securities	236,060	6,354	8,213	234,201
Loan-backed and structured securities	5,133,574	168,214	30,288	5,271,500
Total bonds	\$ 19,944,862	\$ 933,420	\$ 100,739	\$ 20,777,543

The book/adjusted carrying value and estimated fair value of bonds and assets receiving bond treatment, based on estimated cash flows, are shown in the table below. Actual maturities will likely differ from these projections because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	December 31, 2018	
	Book/adjusted carrying value	Fair value
Due in one year or less	\$ 767,254	\$ 777,131
Due after one year through five years	3,834,629	3,863,897
Due after five years through ten years	6,883,504	6,803,249
Due after ten years	3,527,628	3,607,680
Loan-backed and structured securities	5,670,623	5,665,599
Total bonds	\$ 20,683,638	\$ 20,717,556

Loan-backed and structured securities include those issued by U.S. government and U.S. agencies.

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The following table summarizes information regarding the sales of securities:

	Years ended December 31,		
	2018	2017	2016
Proceeds from sales	\$ 12,788,008	\$ 17,492,392	\$ 23,931,241
Gross realized gains from sales	32,672	34,506	80,975
Gross realized losses from sales	30,960	56,354	34,646

Unrealized losses on bonds

The following tables summarize gross unrealized investment losses including the non-credit-related portion of OTTI losses, by class of investment:

	December 31, 2018					
	Less than twelve months		Twelve months or longer		Total	
	Fair value	Unrealized loss and OTTI	Fair value	Unrealized loss and OTTI	Fair value	Unrealized loss and OTTI
Bonds:						
U.S. government	\$ 116	\$ 4	\$ 818	\$ 19	\$ 934	\$ 23
U.S. states, territories and possessions	42,429	360	11,365	312	53,794	672
Political subdivisions of states and territories	103,774	1,115	28,604	919	132,378	2,034
Industrial and miscellaneous	6,334,837	235,993	2,763,614	201,312	9,098,451	437,305
Hybrid securities	104,167	13,710	88,517	17,498	192,684	31,208
Loan-backed and structured securities	2,462,938	46,794	1,568,844	53,417	4,031,782	100,211
Total bonds	\$ 9,048,261	\$ 297,976	\$ 4,461,762	\$ 273,477	\$ 13,510,023	\$ 571,453
Total number of securities in an unrealized loss position		815		475		1,290

	December 31, 2017					
	Less than twelve months		Twelve months or longer		Total	
	Fair value	Unrealized loss and OTTI	Fair value	Unrealized loss and OTTI	Fair value	Unrealized loss and OTTI
Bonds:						
U.S. government	\$ 860	\$ 12	\$ —	\$ —	\$ 860	\$ 12
U.S. states, territories and possessions	11,794	125	—	—	11,794	125
Political subdivisions of states and territories	13,114	56	43,949	1,430	57,063	1,486
Industrial and miscellaneous	1,911,630	17,016	1,708,202	74,659	3,619,832	91,675
Hybrid securities	—	—	106,351	8,214	106,351	8,214
Loan-backed and structured securities	1,530,747	12,379	694,016	19,586	2,224,763	31,965
Total bonds	\$ 3,468,145	\$ 29,588	\$ 2,552,518	\$ 103,889	\$ 6,020,663	\$ 133,477
Total number of securities in an unrealized loss position		328		257		585

Bonds - Total unrealized losses and OTTI increased by \$437,983, or 328%, from December 31, 2017 to December 31, 2018. The increase in unrealized losses was across all asset classes and reflects higher interest rates at December 31, 2018 compared to December 31, 2017, resulting in lower valuations of these bonds.

Total unrealized losses greater than twelve months increased by \$169,588 from December 31, 2017 to December 31, 2018. Industrial and miscellaneous account for 74%, or \$201,312, of the unrealized losses and OTTI greater than twelve months at December 31, 2018. The majority of these bonds continue to be designated as investment grade. Management does not have the intent to sell these assets; therefore, an OTTI was not recognized in net income.

Loan-backed and structured securities account for 20%, or \$53,417, of the unrealized losses and OTTI greater than twelve months at December 31, 2018. Of the \$53,417 of unrealized losses and OTTI over twelve months on loan-backed and structured securities, 99% or \$52,708 are on securities which continue to be designated as investment grade. The present value of cash flows expected to be collected is not less than amortized cost and management does not have the intent to sell these assets; therefore, an OTTI was not recognized in net income.

Loan-backed and structured securities

The Company had a concentration in loan-backed and structured securities of 19% and 18% of total invested assets at December 31, 2018 and 2017, respectively.

Derivative financial instruments

Derivative transactions are generally entered into pursuant to International Swaps and Derivatives Association ("ISDA") Master Agreements with approved counterparties that provide for a single net payment to be made by one party to the other on a daily basis, periodic payment dates, or at the due date, expiration, or termination of the agreement.

The ISDA Master Agreements contain provisions that would allow the counterparties to require immediate settlement of all derivative instruments in a net liability position if the Company were to default on any debt obligations over a certain threshold. The aggregate fair value, inclusive of accrued income and expense, of derivative instruments with credit-risk-related contingent features that were in a net liability position was \$36,177 and \$106,038 as of December 31, 2018 and 2017, respectively. The Company had pledged collateral related to these derivatives of \$0 and \$42,750 as of December 31, 2018 and 2017, respectively, in the normal course of business. If the credit-risk-related contingent features were triggered on December 31, 2018 the fair value of assets that could be required to settle the derivatives in a net liability position was \$36,177.

At December 31, 2018 and 2017, the Company had pledged \$30,220 and \$42,750, respectively, of unrestricted cash collateral to counterparties in the normal course of business, while other counterparties had pledged \$71,280 and \$14,332 of unrestricted cash collateral to the Company to satisfy collateral netting arrangements, respectively.

At December 31, 2018 and 2017, the Company had pledged U.S. Treasury bills in the amount of \$8,197 and \$3,215, respectively, with a broker as collateral for futures contracts.

Types of derivative instruments and derivative strategies**Interest rate contracts***Cash flow hedges*

Interest rate swap agreements are used to convert the interest rate on certain debt securities and debt obligations from a floating rate to a fixed rate.

Not designated as hedging instruments

The Company enters into certain transactions in which derivatives are hedging an economic risk but hedge accounting is either not elected or the transactions are not eligible for hedge accounting. These derivative instruments include: exchange-traded interest rate swap futures, OTC interest rate swaptions, OTC interest rate swaps, exchange-traded Eurodollar interest rate futures and treasury interest rate futures. Certain of the Company's OTC derivatives are cleared and settled through a central clearing counterparty while others are bilateral contracts between the Company and a counterparty.

The derivative instruments mentioned above are economic hedges and used to manage risk. These transactions are used to offset changes in liabilities including those in variable annuity products, hedge the economic effect of a large increase in interest rates, manage the potential variability in future interest payments due to a change in credited interest rates and the related change in cash flows due to increased surrenders, and manage interest rate risks of forecasted acquisitions of bonds and forecasted liability pricing.

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Foreign currency contracts

Cross-currency swaps and foreign currency forwards are used to manage the foreign currency exchange rate risk associated with investments denominated in other than U.S. dollars. The Company uses cross-currency swaps to convert interest and principal payments on foreign denominated debt instruments into U.S. dollars. Cross-currency swaps may be designated as cash flow hedges; however, some are not eligible for hedge accounting. The Company uses foreign currency forwards to reduce the risk of foreign currency exchange rate changes on proceeds received on sales of foreign denominated debt instruments; however, hedge accounting is not elected.

Equity contracts

The Company uses futures on equity indices to offset changes in GLWB liabilities; however, they are not eligible for hedge accounting.

The following tables summarize derivative financial instruments:

	December 31, 2018		
	Notional amount	Net book/adjusted carrying value ⁽¹⁾	Fair value ⁽²⁾
Hedge designation/derivative type:			
Derivatives designated as hedges:			
Cash flow hedges:			
Interest rate swaps	\$ 22,300	\$ —	\$ 6,248
Cross-currency swaps	886,018	55,808	39,109
Total derivatives designated as hedges	908,318	55,808	45,357
Derivatives not designated as hedges:			
Interest rate swaps	636,500	(13,645)	(12,775)
Futures on equity indices	137,829	5,920	(786)
Interest rate futures	53,000	2,276	37
Interest rate swaptions	194,330	173	173
Cross-currency swaps	573,703	26,208	24,945
Total derivatives not designated as hedges	1,595,362	20,932	11,594
Total cash flow hedges, and derivatives not designated as hedges	\$ 2,503,680	\$ 76,740	\$ 56,951

⁽¹⁾ The book/adjusted carrying value excludes accrued income and expense. The book/adjusted carrying value of all derivatives in an asset position is reported within other invested assets and the book/adjusted carrying value of all derivatives in a liability position is reported within other liabilities in the Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus.

⁽²⁾ The fair value includes accrued income and expense.

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	December 31, 2017		
	Notional amount	Net book/adjusted carrying value	Fair value
Hedge designation/derivative type:			
Derivatives designated as hedges:			
Cash flow hedges:			
Interest rate swaps	\$ 388,800	\$ —	\$ 28,725
Cross-currency swaps	800,060	4,710	(31,358)
Total cash flow hedges	1,188,860	4,710	(2,633)
Derivatives not designated as hedges:			
Interest rate swaps	519,100	(3,911)	(3,911)
Futures on equity indices	22,074	857	77
Interest rate futures	60,700	2,358	(5)
Interest rate swaptions	164,522	75	75
Cross-currency swaps	612,733	(21,279)	(21,279)
Total derivatives not designated as hedges	1,379,129	(21,900)	(25,043)
Total cash flow hedges and derivatives not designated as hedges	\$ 2,567,989	\$ (17,190)	\$ (27,676)

The following table presents net unrealized gains/(losses) on derivatives not designated as hedging instruments as reported in the Statutory Statements of Changes in Capital and Surplus:

	Net unrealized gain (loss) on derivatives recognized in surplus		
	Year Ended December 31,		
	2018	2017	2016
Derivatives not designated as hedging instruments:			
Interest rate swaps	\$ (8,039)	\$ 130	\$ (4,901)
Interest rate swaptions	198	(54)	196
Futures on equity indices	297	(363)	531
Interest rate futures	159	48	(37)
Cross-currency swaps	32,525	(39,021)	44,541
Total	\$ 25,140	\$ (39,260)	\$ 40,330

Securities Lending

Securities classified as industrial and miscellaneous with a cost or amortized cost of \$47,218 and estimated fair values of \$43,425 were on loan under the program at December 31, 2018. There were no securities on loan at December 31, 2017. The Company received cash of \$45,102 as collateral at December 31, 2018.

The Company's securities lending agreements are open agreements meaning the borrower can return and the Company can recall the loaned securities at any time.

The cash collateral received of \$45,102 was reinvested into short-term repurchase agreements which are collateralized by U.S. government or U.S. government agency securities and mature in less than 30 days.

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Dollar Repurchase Agreements

Dollar repurchase agreements with a book/adjusted carrying value of \$688,765 at December 31, 2018, was included with bonds in the Statutory Statement of Admitted Assets, Liabilities, Capital and Surplus. At December 31, 2018, the obligation of \$664,650 to repurchase the agreements at a later date was recorded in repurchase agreements liabilities. The following table summarizes the securities underlying the dollar repurchase agreements at December 31, 2018:

Issuer	December 31, 2018		
	Book/adjusted carrying value	Fair value	Maturity
FHLMC	\$ 66,283	\$ 64,754	1/1/2034
FHLMC	482,628	471,162	1/1/2049
FNMA	35,506	34,925	1/1/2034
FNMA	104,348	101,971	1/1/2049
Total	<u>\$ 688,765</u>	<u>\$ 672,812</u>	

There were no dollar repurchase agreements open at December 31, 2017.

The cash collateral of \$664,791 related to the dollar repurchase agreement program at December 31, 2018 was primarily reinvested into investment grade corporate securities with a book/adjusted carrying value of \$664,791 and fair value of \$657,553, with maturities greater than 3 years.

Reverse Repurchase Agreements

The Company had short-term reverse repurchase agreements with book/adjusted carrying values of \$11,200 and \$23,200 at December 31, 2018 and December 31, 2017, respectively, with maturities of 2 days to 1 week. The fair value of securities acquired under the tri-party agreement and held on the Company's behalf was \$11,424 and \$23,664 at December 31, 2018 and December 31, 2017, respectively.

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Restricted Assets

The following tables summarize collateral pledged by the Company and investments on deposit or in trust accounts controlled by various state insurance departments in accordance with statutory requirements:

December 31, 2018													
Restricted Asset Category:	Gross (Admitted & Non-admitted) Restricted									Percentage			
	Total General Account (G/A)	G/A Supporting S/A Activity	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity	Total	Total From Prior Year	Increase/(Decrease)	Total Non-admitted Restricted	Total Admitted Restricted	Gross (Admitted & Non-admitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets		
Collateral held under security lending arrangements	\$ 45,102	\$ —	\$ —	\$ —	\$ 45,102	\$ —	\$ 45,102	\$ —	\$ 45,102	0.08%	0.08%		
Subject to repurchase agreements	—	—	—	—	—	—	—	—	—	0.00%	0.00%		
Subject to reverse repurchase agreements	11,200	—	—	—	11,200	23,200	(12,000)	—	11,200	0.02%	0.02%		
Subject to dollar repurchase agreements	688,765	—	—	—	688,765	—	688,765	—	688,765	1.23%	1.23%		
On deposit with states	4,443	—	—	—	4,443	4,351	92	—	4,443	0.01%	0.01%		
On deposit with other regulatory bodies	603	—	—	—	603	627	(24)	—	603	0.00%	0.00%		
Pledged as collateral not captured in other categories:													
Futures margin deposits	8,197	—	—	—	8,197	3,388	4,809	—	8,197	0.02%	0.02%		
Other collateral	5,320	—	—	—	5,320	—	5,320	—	5,320	0.01%	0.01%		
Derivative cash collateral	30,220	—	—	—	30,220	42,751	(12,531)	—	30,220	0.05%	0.05%		
Other restricted assets	1,259	—	—	—	1,259	228	1,031	—	1,259	0.00%	0.00%		
Total Restricted Assets	\$ 795,109	\$ —	\$ —	\$ —	\$ 795,109	\$ 74,545	\$ 720,564	\$ —	\$ 795,109	1.42%	1.43%		

December 31, 2017													
Restricted Asset Category:	Gross (Admitted & Non-admitted) Restricted									Percentage			
	Total General Account (G/A)	G/A Supporting S/A Activity	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity	Total	Total From Prior Year	Increase/(Decrease)	Total Non-admitted Restricted	Total Admitted Restricted	Gross (Admitted & Non-admitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets		
Subject to reverse repurchase agreements	\$ 23,200	\$ —	\$ —	\$ —	\$ 23,200	\$ —	\$ 23,200	\$ —	\$ 23,200	0.000%	0.000%		
On deposit with states	4,351	—	—	—	4,351	4,350	1	—	4,351	0.000%	0.000%		
On deposit with other regulatory bodies	627	—	—	—	627	513	114	—	627	0.000%	0.000%		
Other restricted assets	228	—	—	—	228	581	(353)	—	228	0.000%	0.000%		
Pledged as collateral not captured in other categories:													
Futures margin deposits	3,215	—	173	—	3,388	3,570	(182)	—	3,388	0.000%	0.000%		
Derivative cash collateral	42,750	—	1	—	42,751	—	42,751	—	42,751	0.000%	0.000%		
Total Restricted Assets	\$ 74,371	\$ —	\$ 174	\$ —	\$ 74,545	\$ 9,014	\$ 65,531	\$ —	\$ 74,545	0.000%	0.000%		

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Net Investment Income

The following table summarizes net investment income:

	Years Ended December 31,		
	2018	2017	2016
Bonds	\$ 822,645	\$ 817,282	\$ 787,272
Common stock	221	425	633
Mortgage loans	169,415	164,055	151,505
Real estate	26,557	25,979	25,401
Contract loans	199,507	198,672	198,846
Cash, cash equivalents and short-term investments	4,749	6,556	7,030
Derivative instruments	16,308	16,216	10,029
Other invested assets	125,821	100,134	116,701
Miscellaneous	1,896	4,552	1,761
Gross investment income	1,367,119	1,333,871	1,299,178
Expenses	(59,732)	(66,908)	(63,337)
Net investment income	\$ 1,307,387	\$ 1,266,963	\$ 1,235,841

The amount of interest incurred and charged to investment expense during the years ended December 31, 2018, 2017 and 2016 was \$22,070, \$29,278 and \$31,042, respectively.

The following table summarizes net realized capital gains (losses) on investments net of federal income tax and interest maintenance reserve transfer:

	Year Ended December 31,		
	2018	2017	2016
Net realized capital gains (losses), before federal income tax	\$ 4,905	\$ (19,270)	\$ 46,048
Less: Federal income tax	1,030	(6,745)	16,117
Net realized capital gains (losses), before IMR transfer	3,875	(12,525)	29,931
Net realized capital gains (losses) transferred to IMR, net of federal income tax of (\$1,781), (\$7,032) and \$16,707, respectively	(6,701)	(13,060)	31,027
Net realized capital gains (losses), net of federal income tax expense (benefit) of \$2,811, \$287 and (\$590), respectively, and IMR transfer	\$ 10,576	\$ 535	\$ (1,096)

Concentrations

The Company had the following bond concentrations based on total invested assets:

	Concentration by type	
	December 31,	
	2018	2017
Industrial and miscellaneous	56%	56%
	Concentration by industry	
	December 31,	
	2018	2017
Financial services	14%	13%
Utilities	8%	10%

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Mortgage Loans

The recorded investment of the commercial mortgage loan portfolio categorized as performing was \$4,207,611 and \$3,872,084 as of December 31, 2018 and 2017, respectively. These mortgages were current as of December 31, 2018 and 2017.

The maximum lending rates for commercial mortgage loans originated during the years ended December 31, 2018 and 2017 were 4.61% and 4.23%, respectively. The minimum lending rates for commercial mortgage loans originated during the years ended December 31, 2018 and 2017 were 3.51% and 3.17%, respectively.

During 2018 and 2017, the maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages, was 69% and 69%, respectively.

The following table summarizes activity in the commercial mortgage provision allowance for the years ended December 31, 2018 and 2017:

	Year ended December 31,	
	2018	2017
Beginning balance	\$ 745	\$ 2,713
Additions charged to operations	—	157
Direct write-downs charged against the allowances	—	(600)
Recoveries of amounts previously charged off	—	(1,525)
Ending balance	\$ 745	\$ 745

The following tables present concentrations of the total commercial mortgage portfolio:

	Concentration by type	
	December 31,	
	2018	2017
Multi-family	37%	39%
Industrial	29%	25%
Office	17%	17%
Retail	10%	11%
Other	7%	8%
	100%	100%

	Concentration by geographic area	
	December 31,	
	2018	2017
Pacific	35%	36%
East North Central	18%	16%
South Atlantic	14%	13%
Middle Atlantic	10%	11%
Mountain	9%	10%
Other	8%	8%
West South Central	6%	6%
	100%	100%

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Troubled Debt Restructuring

After being impaired in 2016, a security classified as industrial and miscellaneous was subject to a troubled debt restructuring in August 2017, under which the original security with a recorded investment, after impairments, of \$11,710 was extinguished in exchange for new assets. Cash, equities, receivable and debt in the amounts of \$1,887, \$6,591, \$164 and \$3,068, respectively, were acquired in full satisfaction of the original debt. The new debt has extended the maturity date from December 30, 2017 to August 1, 2022 and the interest rate increased from 7% to 8%. Upon consummation of the troubled debt restructuring, a total realized capital loss of \$7,789 was recorded in the “Net realized capital gains (losses) less capital gains tax and transfers to interest maintenance reserve” line on the Statutory Statements of Operations. There were no payment defaults recognized on previously restructured investments.

5. Fair Value Measurements

The following tables summarize the fair value hierarchy for all financial instruments and invested assets:

Type of financial instrument	Fair Value Measurements at Reporting Date						
	December 31, 2018						
	Aggregate fair value	Admitted assets and liabilities	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total (All Levels)
Assets:							
Bonds	\$ 20,688,043	\$ 20,654,118	\$ —	\$ 20,666,851	\$ 21,192	\$ —	\$ 20,688,043
Common stock	35,635	35,635	35,635	—	—	—	35,635
Mortgage loans	4,176,880	4,206,865	—	4,176,880	—	—	4,176,880
Real estate	137,700	38,962	—	—	137,700	—	137,700
Cash, cash equivalents and short-term investments	228,997	229,003	188,283	40,714	—	—	228,997
Contract loans	4,122,637	4,122,637	—	4,122,637	—	—	4,122,637
Other long-term invested assets	392,232	338,837	—	319,299	31	72,902	392,232
Securities lending collateral assets	45,102	45,102	—	45,102	—	—	45,102
Collateral under derivative counterparty collateral agreements	101,561	101,561	101,561	—	—	—	101,561
Other collateral	9,315	9,315	9,315	—	—	—	9,315
Receivable for securities	9,654	9,654	—	9,654	—	—	9,654
Derivative instruments	114,612	115,922	66	114,546	—	—	114,612
Separate account assets	24,639,265	24,654,916	13,236,266	10,975,973	—	427,026	24,639,265
Total assets	<u>\$ 54,701,633</u>	<u>\$ 54,562,527</u>	<u>\$ 13,571,126</u>	<u>\$ 40,471,656</u>	<u>\$ 158,923</u>	<u>\$ 499,928</u>	<u>\$ 54,701,633</u>
Liabilities:							
Deposit-type contracts	\$ 196,778	\$ 189,895	\$ —	\$ 196,778	\$ —	\$ —	\$ 196,778
Commercial paper	98,859	98,859	—	98,859	—	—	98,859
Payable under securities lending agreements	45,102	45,102	—	45,102	—	—	45,102
Collateral under derivative counterparty collateral agreements	71,280	71,280	71,280	—	—	—	71,280
Other collateral	3,995	3,995	3,995	—	—	—	3,995
Payable for securities	11,096	11,096	—	11,096	—	—	11,096
Derivative instruments	57,660	47,378	814	56,846	—	—	57,660
Dollar repurchase agreements	664,650	664,650	—	664,650	—	—	664,650
Separate account liabilities	251,806	251,806	44	251,762	—	—	251,806
Total liabilities	<u>\$ 1,401,226</u>	<u>\$ 1,384,061</u>	<u>\$ 76,133</u>	<u>\$ 1,325,093</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,401,226</u>

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Type of financial instrument	Fair Value Measurements at Reporting Date					
	December 31, 2017					
	Aggregate fair value	Admitted assets and liabilities	(Level 1)	(Level 2)	(Level 3)	Total (All Levels)
Assets:						
Bonds	\$ 20,777,543	\$ 19,944,862	\$ —	\$ 20,750,605	\$ 26,938	\$ 20,777,543
Mortgage loans	3,858,883	3,871,338	—	3,858,883	—	3,858,883
Real estate	137,526	37,768	—	—	137,526	137,526
Cash, cash equivalents and short-term investments	242,084	242,084	198,869	43,215	—	242,084
Contract loans	4,078,669	4,078,669	—	4,078,669	—	4,078,669
Other long-term invested assets	412,019	325,181	—	363,198	48,821	412,019
Collateral under derivative counterparty collateral agreements	57,420	57,420	57,420	—	—	57,420
Receivable for securities	23,760	23,135	—	23,760	—	23,760
Derivative instruments	78,431	68,439	98	78,333	—	78,431
Separate account assets	28,222,102	28,197,126	16,058,519	12,163,583	—	28,222,102
Total assets	<u>\$ 57,888,437</u>	<u>\$ 56,846,022</u>	<u>\$ 16,314,906</u>	<u>\$ 41,360,246</u>	<u>\$ 213,285</u>	<u>\$ 57,888,437</u>
Liabilities:						
Deposit-type contracts	\$ 219,909	\$ 206,134	\$ —	\$ 219,909	\$ —	\$ 219,909
Commercial paper	99,886	99,886	—	99,886	—	99,886
Collateral under derivative counterparty collateral agreements	14,332	14,332	14,332	—	—	14,332
Payable for securities	2,364	2,364	—	2,364	—	2,364
Derivative instruments	106,106	88,843	26	106,080	—	106,106
Separate account liabilities	409,275	409,275	9	409,266	—	409,275
Total liabilities	<u>\$ 851,872</u>	<u>\$ 820,834</u>	<u>\$ 14,367</u>	<u>\$ 837,505</u>	<u>\$ —</u>	<u>\$ 851,872</u>

Bonds and common stock

The fair values for bonds and common stock are generally based upon evaluated prices from independent pricing services. In cases where these prices are not readily available, fair values are estimated by the Company. To determine estimated fair value for these instruments, the Company generally utilizes discounted cash flow models with market observable pricing inputs such as spreads, average life, and credit quality. Fair value estimates are made at a specific point in time, based on available market information and judgments about financial instruments, including estimates of the timing and amounts of expected future cash flows and the credit standing of the issuer or counterparty.

Mortgage loans

Mortgage loan fair value estimates are generally based on discounted cash flows. A discount rate matrix is used where the discount rate valuing a specific mortgage generally corresponds to that mortgage's remaining term and credit quality. Management believes the discount rate used is comparable to the credit, interest rate, term, servicing costs, and risks of loans similar to the portfolio loans that the Company would make today given its internal pricing strategy.

Real estate

The estimated fair value for real estate is based on the unadjusted appraised value which includes factors such as comparable property sales, property income analysis, and capitalization rates.

Cash, cash equivalents, short-term investments, collateral receivable and payable under securities lending agreements, receivable and payable for securities, dollar repurchase agreements and commercial paper

The amortized cost of cash, cash equivalents, short-term investments, collateral receivable and payable under securities lending agreements, receivable and payable for securities, dollar repurchase agreements and commercial paper is a reasonable estimate of fair value due to their short-term nature and the high credit quality of the issuers, counterparties and obligor. Cash equivalent investments also include money market funds that are valued using unadjusted quoted prices in active markets.

Contract loans

The Company believes the fair value of contract loans approximates book value. Contract loans are funds provided to contract holders in return for a claim on the contract. The funds provided are limited to the cash surrender value of the underlying contract. The nature of contract loans is to have a negligible default risk as the loans are fully collateralized by the value of the contract. Contract loans do not have a stated maturity and the balances and accrued interest are repaid either by the contractholder or with proceeds from the contract. Due to the collateralized nature of contract loans and unpredictable timing of repayments, the Company believes the fair value of contract loans approximates carrying value.

Other long-term invested assets

The fair values of other long-term invested assets are based on the specific asset type. Other invested assets that are held as bonds, such as surplus notes, are primarily valued the same as bonds. For low-income housing tax credits, amortized cost approximates fair value.

Limited partnership interests represent the Company's minority ownership interests in pooled investment funds. These funds employ varying investment strategies that primarily make private equity investments across diverse industries and geographical focuses. The net asset value, determined using the partnership financial statement reported capital account adjusted for other relevant information, which may impact the exit value of the investments, is used as a practical expedient to estimate fair value. Distributions by these investments are generated from investment gains, from operating income generated by the underlying investments of the funds and from liquidation of the underlying assets of the funds, which are estimated to be liquidated over the next one to 10 years. In the absence of permitted sales of its ownership interest, the Company will be redeemed out of the partnership interests through distributions.

Collateral under derivative counterparty collateral agreements and other collateral

Included in other assets is cash collateral received from or pledged to counterparties and included in other liabilities is the obligation to return the cash collateral to the counterparties. The carrying value of the collateral is a reasonable estimate of fair value.

Derivative instruments

The estimated fair values of OTC derivatives, primarily consisting of cross-currency swaps, interest rate swaps and interest rate swaptions, are the estimated amount the Company would receive or pay to terminate the agreements at the end of each reporting period, taking into consideration current interest rates and other relevant factors.

Separate account assets

Separate account assets and liabilities primarily include investments in mutual funds, unregistered funds, most of which are not subject to redemption restrictions, bonds, and short-term securities. Mutual funds and unregistered funds are recorded at net asset value, which approximates fair value, on a daily basis. The bond and short-term investments are valued in the same manner, and using the same pricing sources and inputs as the bond and short-term investments of the Company.

Deposit-type contracts

Fair values for liabilities under deposit-type insurance contracts are estimated using discounted liability calculations, adjusted to approximate the effect of current market interest rates for the assets supporting the liabilities.

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Fair value hierarchy

The following tables present information about the Company's financial assets and liabilities carried at fair value and indicates the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair value:

Fair Value Measurements at Reporting Date					
December 31, 2018					
Assets:	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total (All Levels)
Bonds					
Industrial and miscellaneous	\$ —	\$ —	\$ 1,275	\$ —	\$ 1,275
Common stock					
Mutual funds	30,969	—	—	—	30,969
Industrial and miscellaneous	4,666	—	—	—	4,666
Other invested assets					
Limited partnerships	—	—	—	72,902	72,902
Derivatives					
Interest rate swaps	—	8,964	—	—	8,964
Cross-currency swaps	—	39,705	—	—	39,705
Interest rate swaptions	—	173	—	—	173
Separate account assets ⁽¹⁾	13,212,700	9,887,836	—	427,026	23,527,562
Total assets	\$ 13,248,335	\$ 9,936,678	\$ 1,275	\$ 499,928	\$ 23,686,216
Liabilities:					
Derivatives					
Interest rate swaps	\$ —	21,740	\$ —	\$ —	\$ 21,740
Cross-currency swaps	—	14,760	—	—	14,760
Separate account liabilities ⁽¹⁾	44	251,762	—	—	251,806
Total liabilities	\$ 44	\$ 288,262	\$ —	\$ —	\$ 288,306

⁽¹⁾ Includes only separate account investments which are carried at the fair value of the underlying invested assets or liabilities owned by the separate accounts.

Fair Value Measurements at Reporting Date					
December 31, 2017					
Assets:	(Level 1)	(Level 2)	(Level 3)	Total (All Levels)	
Bonds					
Industrial and miscellaneous	\$ —	\$ —	\$ 1,297	\$ —	\$ 1,297
States	—	228	—	—	228
Derivatives					
Interest rate swaps	—	9,732	—	—	9,732
Cross-currency swaps	—	20,320	—	—	20,320
Interest rate swaptions	—	75	—	—	75
Separate account assets ⁽¹⁾	16,057,788	11,172,811	—	—	27,230,599
Total assets	\$ 16,057,788	\$ 11,203,166	\$ 1,297	\$ —	\$ 27,262,251
Liabilities:					
Derivatives					
Interest rate swaps	\$ —	13,643	\$ —	\$ —	\$ 13,643
Cross-currency swaps	—	41,599	—	—	41,599
Separate account liabilities ⁽¹⁾	9	409,266	—	—	409,275
Total liabilities	\$ 9	\$ 464,508	\$ —	\$ —	\$ 464,517

⁽¹⁾ Include only separate account investments which are carried at the fair value of the underlying invested assets or liabilities owned by the separate accounts.

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6. Non-Admitted Assets

The following table summarizes the Company's non-admitted assets:

Type	December 31, 2018			December 31, 2017		
	Asset	Non-admitted asset	Admitted asset	Asset	Non-admitted asset	Admitted asset
Common stock	\$ 131,883	\$ —	\$ 131,883	\$ 109,948	\$ 1,971	\$ 107,977
Cash, cash equivalents and short-term investments	229,434	431	229,003	242,084	—	242,084
Other invested assets	607,793	1,006	606,787	569,702	3,515	566,187
Premiums deferred and uncollected	25,904	109	25,795	16,232	313	15,919
Deferred income taxes	340,645	190,148	150,497	382,188	232,873	149,315
Due from parent, subsidiaries and affiliate	94,542	44,435	50,107	110,901	43,546	67,355
Other prepaid assets	28,150	28,150	—	16,478	16,478	—
Capitalized internal use software	58,658	58,658	—	55,279	55,279	—
Furniture, fixtures and equipment	4,949	4,949	—	16,182	5,196	10,986
Reinsurance recoverable	8,468	378	8,090	7,090	—	7,090
Other assets	234,504	2,539	231,965	152,955	553	152,402
Total	<u>\$ 1,764,930</u>	<u>\$ 330,803</u>	<u>\$ 1,434,127</u>	<u>\$ 1,679,039</u>	<u>\$ 359,724</u>	<u>\$ 1,319,315</u>

The following table summarizes the Company's aggregate Statement of Admitted Assets, Liabilities, Capital and Surplus values of all subsidiary, controlled and affiliated entities ("SCA"), except insurance SCA entities as follows:

Type	December 31, 2018			December 31, 2017		
	Asset	Non-admitted asset	Admitted asset	Asset	Non-admitted asset	Admitted asset
Common stock	\$ 13,544	\$ —	\$ 13,544	\$ 15,636	\$ 1,971	\$ 13,665
Other invested assets	143,533	975	142,558	151,318	1,610	149,708
Total	<u>\$ 157,077</u>	<u>\$ 975</u>	<u>\$ 156,102</u>	<u>\$ 166,954</u>	<u>\$ 3,581</u>	<u>\$ 163,373</u>

7. Premiums Deferred and Uncollected

The following table summarizes the Company's ordinary and group life insurance premiums and annuity considerations deferred and uncollected, both gross and net of loading:

Type	December 31, 2018		December 31, 2017	
	Gross	Net of loading	Gross	Net of loading
Ordinary new business	\$ 427	\$ 221	\$ 226	\$ 64
Ordinary renewal business	31,069	25,544	20,681	16,095
Group life	32	30	(260)	(240)
Total	<u>\$ 31,528</u>	<u>\$ 25,795</u>	<u>\$ 20,647</u>	<u>\$ 15,919</u>

8. Business Combination and Goodwill

The Company's goodwill is the result of two types of transactions.

Goodwill that arises as a result of the acquisition of subsidiary limited liability companies is included in other invested assets in the accompanying Statutory Statement of Admitted Assets, Liabilities and Capital. On August 29, 2014, the Company

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completed the acquisition of all of the voting equity interests in the J.P. Morgan Retirement Plan Services ("RPS") large-market recordkeeping business. This transaction was accounted for as a statutory purchase. Goodwill of \$51,098 was recorded in other invested assets, which will be amortized over 10 years. At December 31, 2018 and 2017, the Company has \$28,955 and \$34,065, respectively, of admitted goodwill related to this acquisition. Goodwill amortization of \$5,110 was recorded for the years ended December 31, 2018, 2017 and 2016.

Acquisition date	Cost of acquired entity	Original amount of admitted goodwill	Admitted goodwill as of December 31, 2018	Amount of goodwill amortized for the year ended December 31, 2018	Admitted goodwill as a % of SCA book/adjusted carrying value, gross of admitted goodwill
August 29, 2014	\$ 64,169	\$ 51,098	\$ 28,955	\$ 5,110	104.4%

In addition, goodwill that arises as a result of the acquisition of various assumption reinsurance agreements is included in goodwill in the accompanying Statutory Statement of Admitted Assets, Liabilities and Capital. At December 31, 2018 and 2017, this goodwill was fully amortized. During each of the years ended December 31, 2018, 2017 and 2016, the Company recorded \$0, \$977 and \$12,929, respectively, of goodwill amortization related to these acquisitions.

9. Reinsurance

In the normal course of its business, the Company seeks to limit its exposure to loss on any single insured and to recover a portion of benefits paid by ceding risks to other insurance enterprises under excess coverage and coinsurance contracts. The Company retains an initial maximum of \$3,500 of coverage per individual life. This initial retention limit of \$3,500 may increase due to automatic policy increases in coverage at a maximum rate of \$175 per annum, with an overall maximum increase in coverage of \$1,000.

Ceded reinsurance contracts do not relieve the Company from its obligations to policyholders. The failure of reinsurers to honor their obligations could result in losses to the Company. The Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities or economic characteristics of the reinsurers to minimize its exposure to significant losses from reinsurer insolvencies.

The Company assumes risk from approximately 40 insurers and reinsurers by participating in yearly renewable term and coinsurance pool agreements. When assuming risk, the Company seeks to generate revenue while maintaining reciprocal working relationships with these partners as they also seek to limit their exposure to loss on any single life.

Maximum capacity to be retained by the Company is dictated at the treaty level and is monitored annually to ensure the total risk retained on any one life is limited to a maximum retention of \$4,500.

The Company did not have any write-offs for uncollectible reinsurance receivables during the years ended December 31, 2018 and 2017 for losses incurred, loss adjustment expenses incurred or premiums earned.

The Company does not have any uncollectible reinsurance, commutation of ceded reinsurance, or certified reinsurer downgraded of status subject to revocation.

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10. Aggregate Reserves

Aggregate reserves are computed in accordance with the Commissioner's Annuity Reserve Valuation Method ("CARVM") and the Commissioner's Reserve Valuation Method ("CRVM"), the standard statutory reserving methodologies.

The significant assumptions used to determine the liability for future life insurance benefits are as follows:

Interest	- Life Insurance	2.25% to 6.00%
	- Annuity Funds	3.00% to 11.25%
	- Disability	2.50% to 6.00%
Mortality	- Life Insurance	Various valuation tables, primarily including 1941, 1958, 1980 and 2001 Commissioners Standard Ordinary ("CSO") tables, and American Experience
	- Annuity Funds	Various annuity valuation tables, primarily including the GA 1951, 71, 83a and 2012 Individual Annuitant Mortality ("IAM"), Group Annuity Reserve ("GAR") 94, 1971 and 1983 Group Annuity Mortality ("GAM"), and Annuity 2000
Morbidity	- Disability	1970 Intercompany DISA Group Disability Tables

The Company waives deduction of deferred fractional premiums upon the death of the insured. When surrender values exceed aggregate reserves, excess cash value reserves are held.

Policies issued at premium corresponding to ages higher than the true ages are valued at the rated-up ages. Policies providing for payment at death during certain periods of an amount less than the full amount of insurance, being policies subject to liens, are valued as if the full amount is payable without any deduction.

For policies issued with, or subsequently subject to, an extra premium payable annually, an extra reserve is held. The extra premium reserve is the unearned gross extra premium payable during the year if the policies are rated for reasons other than medical impairments. For medical impairments, the extra premium reserve is calculated as the excess of the reserve based on rated mortality over that based on standard mortality. All substandard annuities are valued at their true ages.

At December 31, 2018 and 2017, the Company had \$3,904,519 and \$4,354,703, respectively of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the Division.

Tabular interest, tabular interest on funds not involving life contingencies and tabular cost have been determined from the basic data for the calculation of aggregate reserves. Tabular less actual reserves released has been determined from basic data for the calculation of aggregate reserves and the actual reserves released.

The withdrawal characteristics of annuity reserves and deposit liabilities are as follows:

December 31, 2018					
	General Account	Separate Account with Guarantees	Separate Account Non-guaranteed	Total	Percent of total gross
Subject to discretionary withdrawal:					
With market value adjustment	\$ 850,240	\$ —	\$ —	\$ 850,240	2.8%
At book value less current surrender charges of 5% or more	779,760	—	—	779,760	2.5%
At fair value	—	6,460,894	11,311,267	17,772,161	57.5%
Total with adjustment or at market value	1,630,000	6,460,894	11,311,267	19,402,161	62.8%
At book value without adjustment (minimal or no charge adjustment)	155,150	—	—	155,150	0.5%
Not subject to discretionary withdrawal	11,355,177	—	—	11,355,177	36.7%
Total gross	13,140,327	6,460,894	11,311,267	30,912,488	100.0%
Reinsurance ceded	1,479	—	—	1,479	
Total, net	\$ 13,138,848	\$ 6,460,894	\$ 11,311,267	\$ 30,911,009	

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December 31, 2017					
	General Account	Separate Account with Guarantees	Separate Account Non-guaranteed	Total	Percent of total gross
Subject to discretionary withdrawal:					
With market value adjustment	\$ 780,008	\$ —	\$ —	\$ 780,008	2.3%
At book value less current surrender charges of 5% or more	716,402	—	—	716,402	2.1%
At fair value	—	6,914,918	14,390,470	21,305,388	62.4%
Total with adjustment or at market value	1,496,410	6,914,918	14,390,470	22,801,798	66.8%
At book value without adjustment (minimal or no charge adjustment)	159,104	—	—	159,104	0.5%
Not subject to discretionary withdrawal	11,181,649	—	—	11,181,649	32.7%
Total gross	12,837,163	6,914,918	14,390,470	34,142,551	100.0%
Reinsurance ceded	73,007	—	—	73,007	
Total, net	\$ 12,764,156	\$ 6,914,918	\$ 14,390,470	\$ 34,069,544	

The following information is obtained from the applicable exhibit in the Company's December 31, 2018 and 2017 annual statements and related separate account annual statement, both of which are filed with the Division and is provided to reconcile annuity reserves and deposit funds to amounts reported in the Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus:

December 31,		
	2018	2017
Life and Accident and Health Annual Statement (net of reinsurance):		
Annuities included in aggregate reserve for life policies and contracts	\$ 12,936,341	\$ 12,544,414
Supplementary contracts with life contingencies and other contracts included in aggregate reserve for life policies and contracts	12,611	13,608
Liability for deposit-type contracts	189,896	206,134
Subtotal - general account	13,138,848	12,764,156
Separate Accounts Annual Statement:		
Annuities included in aggregate reserve for life policies and contracts	17,772,161	21,305,388
Total	\$ 30,911,009	\$ 34,069,544

11. Liability for Unpaid Claims and Claim Adjustment Expenses

Activity in the accident and health liability for unpaid claims and for claim adjustment expenses included in aggregate reserve for life policies and contracts and accident and health policies, excluding unearned premium reserves, is summarized as follows:

	2018	2017
Balance, January 1, net of reinsurance of \$25,283 and \$28,843	\$ 243,517	\$ 240,280
Incurred related to:		
Current year	38,844	53,969
Prior year	6,634	(6,728)
Total incurred	45,478	47,241
Paid related to:		
Current year	(10,375)	(6,896)
Prior year	(31,091)	(37,108)
Total paid	(41,466)	(44,004)
Balance, December 31, net of reinsurance of \$19,082 and \$25,283	\$ 247,529	\$ 243,517

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Reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years has increased (decreased) by \$6,634 and \$(6,728) during the years ended December 31, 2018 and 2017, respectively. The change in both years is the result of ongoing analysis of recent claim development trends.

12. Commercial Paper

The Company has a commercial paper program that is partially supported by a \$50,000 credit facility agreement. The commercial paper has been given a rating of A-1+ by Standard & Poor's Ratings Services and a rating of P-1 by Moody's Investors Service, each being the highest rating available. The Company's issuance of commercial paper is not used to fund daily operations and does not have a significant impact on the Company's liquidity.

The following table provides information regarding the Company's commercial paper program:

	December 31,	
	2018	2017
Face value	\$ 98,859	\$ 99,886
Carrying value	\$ 98,859	\$ 99,886
Interest expense paid	\$ 1,746	\$ 974
Effective interest rate	2.5% - 2.7%	1.4% - 1.7%
Maturity range (days)	16 - 25	19 - 67

13. Separate Accounts

The Company utilizes separate accounts to record and account for assets and liabilities for particular lines of business and/or transactions. The Company reported assets and liabilities from the following product lines into a separate account:

- Individual Annuity Product
- Group Annuity Product
- Variable Life Insurance Product
- Hybrid Ordinary Life Insurance Product
- Individual Indexed-Linked Annuity Product

In accordance with the domiciliary state procedures for approving items within the separate account, the separate account classification of the following items are supported by Colorado Insurance Code Section 10-7-402:

- Individual Annuity
- Group Annuity
- Variable Life Insurance Product

The following items are supported by direct approval by the Commissioner:

- Hybrid Ordinary Life Insurance Product
- Group Annuity - Custom Stable Value Asset Funds
- Variable Life Insurance Product
- Individual Indexed-Linked Annuity Product

The Company's separate accounts invest in shares of Great-West Funds, Inc. and Putnam Funds, open-end management investment companies, which are related parties of the Company, and shares of other non-affiliated mutual funds, and government and corporate bonds.

Some assets within each of the Company's separate accounts are considered legally insulated whereas others are not legally insulated from the general account. The legal insulation of the separate accounts prevents such assets from being generally available to satisfy claims resulting from the general account.

At December 31, 2018 and 2017, the Company's separate account assets that are legally insulated from the general account claims are \$24,652,973 and \$28,192,883, respectively.

Some separate account liabilities are guaranteed by the general account. In accordance with the guarantees provided, if the investment proceeds are insufficient to cover the rate of return guaranteed for the product, the policyholder proceeds will be remitted by the general account. To compensate the general account for the risk taken, the separate account has paid risk charges of \$11,608, \$12,581, \$12,961, \$12,542 and \$12,171 for the years ended December 31, 2018, 2017, 2016, 2015 and 2014, respectively. No separate account guarantees were paid by the general account for the years ending December 31, 2018, 2017, 2016, 2015 and 2014, respectively.

Separate accounts with guarantees

The Government Guaranteed Funds are separate accounts investing in fixed income securities backed by the credit of the U.S. Government, its agencies or its instrumentalities.

The Stable Asset Funds invest in investment-grade corporate bonds in addition to the above mentioned securities.

The Company also has separate accounts comprised of assets underlying variable universal life policies issued privately to accredited investors. The accounts invest in investment grade fixed income securities.

The Individual Indexed-Linked Annuity Product provides returns based on the performance of one or more indices and invests in fixed income securities. The returns from these securities are invested in derivative instruments which mimic the returns of select indices. There is also a return of premium death benefit guarantee to policyholders.

The Government Guaranteed Funds and Stable Asset Funds have a guaranteed minimum crediting rate of at least 0%. All of the above separate accounts provide a book value guarantee. Some of them also provide a death benefit of the greater of account balance or premium paid.

Distributions to a participant are based on the participant's account balance and are permitted for the purpose of paying a benefit to a participant. Distributions for purposes other than paying a benefit to a participant may be restricted. Participants' distributions are based on the amount of their account balance, whereas, distributions as a result of termination of the group annuity contract are based on net assets attributable to the contract and can be made to the group through (1) transfer of the underlying securities and any remaining cash balance, or (2) transfer of the cash balance after sale of the Fund's securities.

Most guaranteed separate account assets and related liabilities are carried at fair value. Certain separate account assets are carried at book value based on the prescribed deviation from the Division.

Non-guaranteed separate accounts

The non-guaranteed separate accounts include unit investment trusts or series accounts that invest in diversified open-end management investment companies. These separate account assets and related liabilities are carried at fair value.

The investments in shares are valued at the closing net asset value as determined by the appropriate fund/portfolio at the end of each day. The net investment experience of the separate account is credited directly to the policyholder and can be positive or negative. Some of the separate accounts provide an incidental death benefit of the greater of the policyholder's account balance or premium paid and some provide an incidental annual withdrawal benefit for the life of the policyholder. Certain contracts contain provisions relating to a contingent deferred sales charge. In such contracts, charges will be made for total or partial surrender of a participant annuity account in excess of the "free amount" before the retirement date by a deduction from a participant's account. The "free amount" is an amount equal to 10% of the participant account value at December 31 of the calendar year prior to the partial or total surrender.

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The following tables provide information regarding the Company's separate accounts:

Year Ended December 31, 2018			
	Non-indexed guaranteed less than/equal to 4%	Non-guaranteed separate account	Total
Premiums, considerations or deposits	\$ 721,339	\$ 1,900,171	\$ 2,621,510
Reserves			
For accounts with assets at:			
Fair value	\$ 7,286,636	\$ 15,682,027	\$ 22,968,663
Amortized cost	1,107,812	—	1,107,812
Total reserves	\$ 8,394,448	\$ 15,682,027	\$ 24,076,475
By withdrawal characteristics:			
At fair value	\$ 7,286,636	\$ 15,682,027	\$ 22,968,663
At book value without fair value adjustment and with current surrender charge less than 5%	1,107,812	—	1,107,812
Total subject to discretionary withdrawals	\$ 8,394,448	\$ 15,682,027	\$ 24,076,475

Year Ended December 31, 2017			
	Non-indexed guaranteed less than/equal to 4%	Non-guaranteed separate account	Total
Premiums, considerations or deposits	\$ 560,537	\$ 1,888,820	\$ 2,449,357
Reserves			
For accounts with assets at:			
Fair value	\$ 7,918,332	\$ 18,643,242	\$ 26,561,574
Amortized cost	958,780	—	958,780
Total reserves	\$ 8,877,112	\$ 18,643,242	\$ 27,520,354
By withdrawal characteristics:			
At fair value	\$ 7,918,332	\$ 18,643,242	\$ 26,561,574
At book value without fair value adjustment and with current surrender charge less than 5%	958,780	—	958,780
Total subject to discretionary withdrawals	\$ 8,877,112	\$ 18,643,242	\$ 27,520,354

A reconciliation of the amounts transferred to and from the separate accounts is presented below:

Year Ended December 31,			
	2018	2017	2016
Transfers as reported in the Summary of Operations of the separate account statement:			
Transfers to separate accounts	\$ 2,621,510	\$ 2,449,357	\$ 2,686,225
Transfers from separate accounts	(5,198,817)	(4,417,525)	(3,561,699)
Net transfers from separate accounts	(2,577,307)	(1,968,168)	(875,474)
Reconciling adjustments:			
Net transfer of reserves to separate accounts	1,464,314	1,023,384	773,253
Miscellaneous other	528	140	739
Net transfers as reported in the Statements of Operations	\$ (1,112,465)	\$ (944,644)	\$ (101,482)

14. Capital and Surplus, Dividend Restrictions, and Other Matters

On November 15, 2004, the Company issued a surplus note in the face amount of \$195,000 to GWL&A Financial. The proceeds were used to redeem a \$175,000 surplus note issued May 4, 1999 and for general corporate purposes. The new surplus note bears interest at the rate of 6.675% and is due November 14, 2034. The carrying amount of the surplus note was \$194,558 and \$194,530 at December 31, 2018 and 2017, respectively. Payments of principal and interest under this surplus note can be made only with prior written approval of the Commissioner of Insurance of the State of Colorado. Such payments are payable only out of surplus funds of the Company and only if at the time of such payment, and after giving effect to the making thereof, the financial condition of the Company is such that its surplus would not fall below two and one-half times the authorized control level as required by the most recent risk-based capital calculations. Subject to the foregoing restrictions on payment of principal and interest, (a) interest is payable on the principal sum of the surplus note semi-annually, in arrears, on May 14 and November 14 of each year, and (b) the surplus note may only be redeemed prior to its stated maturity in connection with (i) a mandatory redemption by the Company in the event of a redemption or acceleration by GWL&A Financial Inc., of its 6.675% junior subordinated deferrable debentures due November 14, 2034, or (ii) an optional redemption by the Company at any time on or after November 15, 2024. Interest paid on the note was \$13,016 for all the years ended December 31, 2018, 2017 and 2016, respectively, bringing total interest paid from inception to December 31, 2018 to \$182,227. The amount of unapproved principal and interest was \$0 at December 31, 2018 and 2017.

On May 19, 2006, the Company issued a surplus note in the face amount and carrying amount of \$333,400 to GWL&A Financial Inc. The proceeds were used for general corporate purposes. Initially, the surplus note bore interest at the rate of 7.203% per annum, and was payable on each May 16 and November 16 until May 16, 2016. After May 16, 2016, the surplus note bears an interest rate of 2.588% plus the then current three-month London Interbank Offering Rate. The carrying amount of the surplus note was \$0 and \$333,400 at December 31, 2018 and 2017. The surplus note became redeemable by the company at the principal amount plus any accrued and unpaid interest after May 16, 2016. On June 15, 2018, this surplus note was redeemed in full. Payments of principal and interest under the surplus note can be made only with prior written approval of the Commissioner of Insurance of the State of Colorado. Such payments are payable out of surplus funds of the Company and only if at the time of such payment, and after giving effect to the making thereof, the financial condition of the Company is such that its surplus would not fall below two and one-half times the authorized control level as required by the most recent risk-based capital calculations. Interest paid on the note was \$6,868, \$12,721 and \$16,137 for the year ended December 31, 2018, 2017 and 2016, respectively, bringing total interest paid from inception to December 31, 2018 to \$262,875. The amount of unapproved principal and interest was \$0 at December 31, 2018 and 2017.

On December 29, 2017, the Company issued a surplus note in the face amount and carrying amount of \$12,000 to GWL&A Financial Inc. The proceeds were used for general corporate purposes. The surplus note bears an interest rate of 3.5% per annum. The note matures of December 29, 2027. Payments of principal and interest under the surplus note can be made only with prior written approval of the Commissioner of Insurance of the State of Colorado. Such payments are payable out of surplus funds of the Company and only if at the time of such payment, and after giving effect to the making thereof, the financial condition of the Company is such that its surplus would not fall below two and one-half times the authorized control level as required by the most recent risk-based capital calculations. Interest paid on the note during 2018, 2017 and 2016 amounted to \$420, \$2 and \$0, respectively, bringing total interest paid from inception to December 31, 2018 to \$422. The amount of unapproved principal and interest was \$0 at December 31, 2018.

On May 17, 2018, the Company issued a surplus note in the face amount and carrying amount of \$346,218 to GWL&A Financial Inc. The proceeds were used to redeem the \$333,400 surplus note issued in 2006 and for general corporate purposes. The surplus note bears an interest rate of 4.881% per annum. The note matures on May 17, 2048. Payments of principal and interest under the surplus note can be made only with prior written approval of the Commissioner of Insurance of the State of Colorado. Such payments are payable out of surplus funds of the Company and only if at the time of such payment, and after giving effect to the making thereof, the financial condition of the Company is such that its surplus would not fall below two and one-half times the authorized control level as required by the most recent risk-based capital calculations. Interest paid on the note during 2018 and 2017 amounted to \$10,515 and \$0, respectively, bringing total interest paid from inception to December 31, 2018 to \$10,515. The amount of unapproved principal and interest was \$0 at December 31, 2018.

In the first quarter of 2018, the Company realized a \$39,921 after tax gain on an interest rate swap that hedged the existing \$333,400 surplus note. The Company adjusted the basis of the hedged item, in this case the surplus note, for the amount of the after tax gain. Further, the Company accounted for the redemption of the \$333,400 surplus note and the issuance of the

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\$346,218 surplus note in the second quarter as debt modification instead of debt extinguishment. Therefore, the after tax swap gain will be amortized into income over the 30 year life of the new surplus note. Amortization of the gain during 2018, 2017 and 2016 amounted to \$998, \$0 and \$0, respectively bringing the total amortization from inception to December 31, 2018 amounted to \$998, leaving an unamortized balance of \$38,923 in surplus as part of the surplus note amounts.

Interest paid to GWL&A Financial attributable to these surplus notes, was \$30,819, \$25,739 and \$29,153 for the years ended December 31, 2018, 2017 and 2016, respectively.

As an insurance company domiciled in the State of Colorado, the Company is required to maintain a minimum of \$2,000 of capital and surplus. In addition, the maximum amount of dividends which can be paid to stockholders by insurance companies domiciled in the State of Colorado, without prior approval of the Insurance Commissioner, is subject to restrictions relating to statutory capital and surplus and statutory net gain from operations. The Company may pay an amount less than \$132,692 of dividends during the year ended December 31, 2019, without the prior approval of the Colorado Insurance Commissioner. Prior to any payment of dividends, the Company provides notice to the Colorado Insurance Commissioner. Dividends are non-cumulative.

The Company paid cash dividends on common stock during 2018 as follows: \$24,000 on March 30, 2018 (ordinary); \$20,000 on May 1, 2018 (extraordinary); \$55,895 on May 17, 2018 (extraordinary); \$30,000 on September 28, 2018 (extraordinary) and \$22,400 on September 29, 2018 (extraordinary). Dividends during 2017 were paid as follows: \$77,000 on March 15, 2017 (extraordinary); \$60,301 on June 15, 2017 (ordinary); and \$8,000 on September 29, 2017 (ordinary). Dividends are paid as determined by the Board of Directors, subject to the limitations described above.

The portion of unassigned funds (surplus) represented or (reduced) by each of the following items is:

	December 31,	
	2018	2017
Unrealized gains (losses)	\$ 152,801	\$ 165,416
Non-admitted assets	(330,803)	(359,724)
Asset valuation reserve	(204,393)	(203,546)
Provision for reinsurance	(17)	(17)
Separate account business	(1,076)	(868)

Risk-based capital ("RBC") is a regulatory tool for measuring the minimum amount of capital appropriate for a life, accident and health organization to support its overall business operations in consideration of its size and risk profile. The Division requires the Company to maintain minimum capital and surplus equal to the company action level as calculated in the RBC model. The Company exceeds the required amount.

15. Federal Income Taxes

The following table presents the components of the net admitted deferred tax asset (liability):

	December 31, 2018			December 31, 2017			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	\$ 368,917	\$ 2,793	\$ 371,710	\$ 388,131	\$ 16,580	\$ 404,711	\$ (19,214)	\$ (13,787)	\$ (33,001)
Valuation allowance adjustment	—	—	—	—	—	—	—	—	—
Adjusted gross deferred tax asset	368,917	2,793	371,710	388,131	16,580	404,711	(19,214)	(13,787)	(33,001)
Deferred tax assets non-admitted	(189,578)	(570)	(190,148)	(228,728)	(4,145)	(232,873)	39,150	3,575	42,725
Net admitted deferred tax asset	179,339	2,223	181,562	159,403	12,435	171,838	19,936	(10,212)	9,724
Gross deferred tax liabilities	(31,065)	—	(31,065)	(22,523)	—	(22,523)	(8,542)	—	(8,542)
Net admitted deferred tax asset	\$ 148,274	\$ 2,223	\$ 150,497	\$ 136,880	\$ 12,435	\$ 149,315	\$ 11,394	\$ (10,212)	\$ 1,182

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The Company admits deferred tax assets pursuant to paragraphs 11.a, 11.b.i, 11.b.ii, and 11.c, in SSAP No. 101. The following table presents the amount of deferred tax asset admitted under each component of SSAP No. 101:

	December 31, 2018			December 31, 2017			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ —	\$ 2,224	\$ 2,224	\$ —	\$ 3,884	\$ 3,884	\$ —	\$ (1,660)	\$ (1,660)
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (a) above) after application of the threshold limitation (lesser of (i) and (ii) below)	148,274		148,274	136,880	8,551	145,431	11,394	(8,551)	2,843
(i) Adjusted gross deferred tax assets expected to be realized following the balance sheet date	148,274		148,274	136,880	8,551	145,431	11,394	(8,551)	2,843
(ii) Adjusted gross deferred tax assets expected allowed per limitation threshold			175,682			145,431	—	—	30,251
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from (a) and (b) above) offset by gross deferred tax liabilities	31,065	—	31,065	22,523	—	22,523	8,542	—	8,542
Total deferred tax assets admitted as a result of the application of SSAP No. 101	\$ 179,339	\$ 2,224	\$ 181,563	\$ 159,403	\$ 12,435	\$ 171,838	\$ 19,936	\$ (10,211)	\$ 9,725

The following table presents the threshold limitations utilized in the admissibility of deferred tax assets under paragraph 11.b of SSAP No. 101:

	2018	2017
Ratio percentage used to determine recovery period and threshold limitation amount	867.76%	894.97%
Amount of adjusted capital and surplus used to determine recovery period and threshold limitation	\$ 1,171,212	\$ 969,537

The following table presents the impact of tax planning strategies:

	December 31, 2018		December 31, 2017		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
Adjusted gross deferred tax asset	\$ 368,917	\$ 2,793	\$ 388,131	\$ 16,580	\$ (19,214)	\$ (13,787)
% of adjusted gross deferred tax asset by character attributable to tax planning strategies	—%	—%	—%	—%	—%	—%
Net admitted adjusted gross deferred tax assets	\$ 179,339	\$ 2,224	\$ 159,403	\$ 12,435	\$ 19,936	\$ (10,211)
% of net admitted adjusted gross deferred tax asset by character attributable to tax planning strategies	—%	—%	—%	—%	—%	—%

The Company's tax planning strategies do not include the use of reinsurance.

There are no temporary differences for which deferred tax liabilities are not recognized.

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The components of current income taxes incurred include the following:

	Year Ended December 31,		Change
	2018	2017	
Current income tax	\$ (17,604)	\$ 50,584	\$ (68,188)
Federal income tax on net capital gains	1,030	(6,744)	7,774
Total	<u>\$ (16,574)</u>	<u>\$ 43,840</u>	<u>\$ (60,414)</u>

	Year Ended December 31,		Change
	2017	2016	
Current income tax	\$ 50,584	\$ (37,932)	\$ 88,516
Federal income tax on net capital gains	(6,744)	16,117	(22,861)
Total	<u>\$ 43,840</u>	<u>\$ (21,815)</u>	<u>\$ 65,655</u>

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The tax effects of temporary differences, which give rise to the deferred income tax assets and liabilities are as follows:

	December 31,		Change
	2018	2017	
Deferred income tax assets:			
Ordinary:			
Reserves	\$ 80,303	\$ 65,831	\$ 14,472
Investments	4,374	1,263	3,111
Deferred acquisition costs	76,759	77,369	(610)
Provision for dividends	3,399	4,593	(1,194)
Fixed assets	3,264	2,761	503
Compensation and benefit accrual	20,890	22,065	(1,175)
Receivables - non-admitted	13,991	12,737	1,254
Tax credit carryforward	131,409	168,567	(37,158)
Other	34,527	32,945	1,582
Total ordinary gross deferred tax assets	368,916	388,131	(19,215)
Valuation allowance adjustment	—	—	—
Total adjusted ordinary gross deferred tax assets	368,916	388,131	(19,215)
Non-admitted ordinary deferred tax assets	(189,578)	(228,728)	39,150
Admitted ordinary deferred tax assets	179,338	159,403	19,935
Capital:			
Investments	2,793	16,580	(13,787)
Total capital gross deferred tax assets	2,793	16,580	(13,787)
Valuation allowance adjustment	—	—	—
Total adjusted gross capital deferred tax assets	2,793	16,580	(13,787)
Non-admitted capital deferred tax assets	(569)	(4,145)	3,576
Admitted capital deferred tax assets	2,224	12,435	(10,211)
Total admitted deferred tax assets	\$ 181,562	\$ 171,838	\$ 9,724
Deferred income tax liabilities:			
Ordinary:			
Investments	\$ —	\$ (4,501)	\$ 4,501
Premium receivable	(5,417)	(3,343)	(2,074)
Policyholder Reserves	(17,644)	(10,033)	(7,611)
Experience Refunds	(5,079)	—	(5,079)
Other	(2,925)	(4,646)	1,721
Total ordinary deferred tax liabilities	(31,065)	(22,523)	(8,542)
Net admitted deferred income tax asset	\$ 150,497	\$ 149,315	\$ 1,182

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The change in deferred income taxes reported in surplus before consideration of non-admitted assets is comprised of the following components:

	December 31,		Change
	2018	2017	
Total deferred income tax assets	\$ 371,710	\$ 404,711	\$ (33,001)
Total deferred income tax liabilities	(31,065)	(22,523)	(8,542)
Net deferred income tax asset	\$ 340,645	\$ 382,188	(41,543)
Tax effect of unrealized capital gains (losses)			(260)
Other surplus			1,071
Change in net deferred income tax			\$ (40,732)

	December 31,		Change
	2017	2016	
Total deferred income tax assets	\$ 404,711	\$ 521,431	\$ (116,720)
Total deferred income tax liabilities	(22,523)	(20,681)	(1,842)
Net deferred income tax asset	\$ 382,188	\$ 500,750	(118,562)
Tax effect of unrealized capital gains (losses)			6,427
Other surplus			1,607
Change in net deferred income tax			\$ (110,528)

The provision for federal income taxes and change in deferred income taxes differ from that which would be obtained by applying the statutory federal income tax rate of 21% and 35% to income before income taxes. The significant items causing this difference are as follows:

	December 31,		
	2018	2017	2016
Income tax expense at statutory rate	\$ 60,337	\$ 77,023	\$ 22,425
Federal tax rate change	—	132,029	—
Earnings from subsidiaries	(22,003)	(28,875)	(35,175)
Swap gain on debt refinancing	8,175	—	—
Dividend received deduction	(6,657)	(7,992)	(7,302)
Tax adjustment for interest maintenance reserve	(5,221)	(7,716)	(8,138)
Prior year adjustment	(4,124)	(1,881)	(2,032)
Tax effect on non-admitted assets	(3,476)	2,291	(1,111)
Tax credits	(2,901)	(908)	(21,212)
Income tax (benefit) on realized capital gain (loss)	1,030	(6,744)	16,117
Tax contingency	(607)	359	(99)
Other	(395)	(3,219)	(1,893)
Total	\$ 24,158	\$ 154,367	\$ (38,420)

	2018	2017	2016
Federal income taxes incurred	\$ (16,574)	\$ 43,839	\$ (21,815)
Change in net deferred income taxes	40,732	110,528	(16,605)
Total income taxes	\$ 24,158	\$ 154,367	\$ (38,420)

On December 22, 2017, H.R. 1, the Tax Cuts and Jobs Act (the “Act”), was enacted. The legislation, which is generally effective for tax years beginning on January 1, 2018, represented significant U.S. tax reform and revised the Internal Revenue Code by, among other items, lowering the federal corporate income tax rate from 35% to 21% and modifying how the U.S.

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taxes multinational entities. Further, the Act changed how tax basis policy reserves, capitalized specified policy acquisition expenses, and the company's share of the dividends received deduction and tax exempt interest are to be calculated.

Shortly after enactment, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 118 ("SAB 118") which provided US GAAP guidance on the accounting for the Act's impact at December 31, 2017. A reporting entity could recognize provisional amounts, where the necessary information was not available, prepared or analyzed (including computations) in reasonable detail or where additional guidance was needed from the taxing authority to determine the appropriate application of the Act. A reporting entity's provisional impact analysis was to be adjusted within the 12 month measurement period provided for under SAB 118. The Statutory Accounting Working Group subsequently provided informal interpretative guidance allowing for statutory accounting conformity with the SAB 118 US GAAP guidance.

The Company's accounting for the income tax effects of the Act is complete as of the period ended December 31, 2018, and no material measurement period adjustments were recognized during the 2018 reporting period.

As of December 31, 2018, the Company had no operating loss carryforwards.

As of December 31, 2018, the Company has Guaranteed Federal Low Income Housing tax credit carryforwards of \$111,328. These credits will begin to expire in 2030.

As of December 31, 2018, the Company has foreign tax credit carryforwards of \$20,082. These credits will begin to expire in 2020.

The following are income taxes incurred in prior years that will be available for recoupment in the event of future net losses:

Year Ended December 31, 2018	\$	4,146
Year Ended December 31, 2017		13,328

The Company has no deposits admitted under Section 6603 of the Internal Revenue Code.

The Company's federal income tax return is consolidated with the following entities (the "U.S. Consolidated Group"):

Great-West Lifeco U.S. LLC
Emjay Corporation
GWFS Equities, Inc.
GWL&A Financial Inc.
Great-West Life & Annuity Insurance Company of South Carolina
Great-West Life & Annuity Insurance Company of New York
Putnam Investments, LLC
Putnam Acquisition Financing, Inc.
Putnam Retail Management, LP
Putnam Retail Management GP, Inc.
Putnam Advisory Company, LLC
Putnam Advisory Holdings, LLC
Putnam Fiduciary Trust Company
Putnam Investor Services, Inc.
PanAgora Holdings, Inc
PanAgora Asset Management, Inc.
Putnam Advisory Holdings II, LLC
FASCore, LLC
Advised Assets Group, LLC
Great-West Trust Company, LLC
Great-West Capital Management, LLC

The Company, GWL&A NY and GWSC ("GWLA Subgroup") are life insurance companies who form a life subgroup under the consolidated return regulations. These regulations determine whether the taxable income or losses of this subgroup may offset or be offset with the taxable income or losses of other non-life entities.

The GWLA Subgroup accounts for income taxes on the modified separate return method on each of their separate company, statutory financial statements. Under this method, current and deferred tax expense or benefit is determined on a standalone basis; however the Company also considers taxable income or losses from other members of the GWLA Subgroup when determining its deferred tax assets and liabilities, and in evaluating the realizability of its deferred tax assets.

The method of settling income tax payables and receivables (“Tax Sharing Agreement”) among the U.S. consolidated group is subject to a written agreement approved by the Board of Directors, whereby settlement is made on a separate return basis (i.e., the amount that would be due to or from a jurisdiction had an actual separate return been filed) except for the current utilization of any net operating losses and other tax attributes by members of the U.S. Consolidated Group, which can lead to receiving a payment when none would be received from the jurisdiction had a real separate tax return been required. The GWLA Subgroup has a policy of settling intercompany balances as soon as practical after the filing of the federal consolidated return or receipt of the income tax refund from the Internal Revenue Service (“I.R.S.”).

The Company determines income tax contingencies in accordance with Statement of Statutory Accounting Principles No. 5R, *Liabilities, Contingencies and Impairments of Assets* (“SSAP No. 5R”) as modified by SSAP 101. As of December 31, 2018 the amount of tax contingencies computed in accordance with SSAP No. 5R is \$0, with the exception of interest and penalties. The Company does not expect a significant increase in tax contingencies within the 12 month period following the balance sheet date.

The Company recognizes accrued interest and penalties related to tax contingencies in current income tax expense. During the years ended December 31, 2018 and 2017, the Company recognized approximately \$607 and \$359 of benefit and expense, respectively, from interest and penalties related to the uncertain tax positions. The Company had \$314 and \$921 accrued for the payment of interest and penalties at December 31, 2018 and 2017, respectively.

The Company files income tax returns in the U.S. federal jurisdiction and various states. With few exceptions, the Company is no longer subject to U.S. federal income tax examinations by the I.R.S. for years 2014 and prior. Tax years 2015 through 2017 are open to federal examination by the I.R.S. The Company does not expect significant increases or decreases to tax contingencies relating to federal, state or local audits.

The Company does not have any outstanding AMT credits as of the filing of the 2017 tax return.

The Company does not have any foreign operations as of the periods ended December 31, 2017 and December 31, 2018 and therefore is not subject to the Repatriation Transition Tax or the tax on Global Intangible Low-Taxed Income.

16. Employee Benefit Plans

Post-Retirement Medical and Supplemental Executive Retirement Plans

The Company sponsors an unfunded Post-Retirement Medical Plan (the “Medical Plan”) that provides health benefits to retired employees who are not Medicare eligible. The Medical Plan is contributory and contains other cost sharing features which may be adjusted annually for the expected general inflation rate. The Company’s policy is to fund the cost of the Medical Plan benefits in amounts determined at the discretion of management.

The Company also provides Supplemental Executive Retirement Plans to certain key executives. These plans provide key executives with certain benefits upon retirement, disability or death based upon total compensation. The Company has purchased individual life insurance policies with respect to employees covered by these plans. The Company is the owner and beneficiary of the insurance contracts.

A December 31 measurement date is used for the employee benefit plans.

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The following tables provide a reconciliation of the changes in the benefit obligations, fair value of plan assets and the underfunded status for the Company's Post-Retirement Medical and Supplemental Executive Retirement plans:

	Post-Retirement Medical Plan		Supplemental Executive Retirement Plan		Total	
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017	2018	2017
Change in projected benefit obligation:						
Benefit obligation, January 1	\$ 19,329	\$ 19,031	\$ 40,921	\$ 44,501	\$ 60,250	\$ 63,532
Service cost	1,425	1,457	—	(16)	1,425	1,441
Interest cost	703	758	1,357	1,620	2,060	2,378
Actuarial (gain) loss	(1,511)	(1,216)	(2,316)	(1,872)	(3,827)	(3,088)
Regular benefits paid	(407)	(701)	(2,400)	(3,336)	(2,807)	(4,037)
Amendment	—	—	—	24	—	24
Benefit obligation and underfunded status, December 31	\$ 19,539	\$ 19,329	\$ 37,562	\$ 40,921	\$ 57,101	\$ 60,250
Accumulated benefit obligation	\$ 19,539	\$ 19,329	\$ 37,562	\$ 40,921	\$ 57,101	\$ 60,250

	Post-Retirement Medical Plan		Supplemental Executive Retirement Plan		Total	
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017	2018	2017
Change in plan assets:						
Value of plan assets, January 1	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Employer contributions	407	701	2,400	3,337	2,807	4,038
Regular benefits paid	(407)	(701)	(2,400)	(3,337)	(2,807)	(4,038)
Value of plan assets, December 31	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

The following table presents amounts recognized in the Statutory Statements of Admitted Assets, Liabilities, Capital and Surplus for the Company's Post-Retirement Medical and Supplemental Executive Retirement plans:

	Post-Retirement Medical Plan		Supplemental Executive Retirement Plan		Total	
	December 31,		December 31,		December 31,	
	2018	2017	2018	2017	2018	2017
Amounts recognized in the statutory statements of admitted assets, liabilities, capital and surplus:						
Accrued benefit liability	\$ (20,534)	\$ (18,078)	\$ (40,091)	\$ (40,855)	\$ (60,625)	\$ (58,933)
Liability for pension benefits	995	(1,251)	2,529	(66)	3,524	(1,317)
Total other liabilities	\$ (19,539)	\$ (19,329)	\$ (37,562)	\$ (40,921)	\$ (57,101)	\$ (60,250)
Unassigned surplus (deficit)	\$ 995	\$ (1,251)	\$ 2,529	\$ (66)	\$ 3,524	\$ (1,317)

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The following table presents amounts not yet recognized in the statements of financial position for the Company's Post-Retirement Medical and Supplemental Executive Retirement plans:

	Post-Retirement Medical Plan		Supplemental Executive Retirement Plan		Total	
	December 31,		December 31,		December 31,	
	2018	2017	2018	2017	2018	2017
Unrecognized net actuarial gain (loss)	\$ 5,152	\$ 3,723	\$ 3,428	\$ 1,157	\$ 8,580	\$ 4,880
Unrecognized prior service cost	(4,157)	(4,974)	(899)	(1,223)	(5,056)	(6,197)

The following table presents amounts in unassigned funds recognized as components of net periodic benefit cost for the Company's Post-Retirement Medical and Supplemental Executive Retirement plans:

	Post-Retirement Medical Plan		Supplemental Executive Retirement Plan		Total	
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017	2018	2017
Items not yet recognized as component of net periodic cost on January 1,	\$ (1,251)	\$ (3,021)	\$ (66)	\$ (2,360)	\$ (1,317)	\$ (5,381)
Prior service cost recognized in net periodic cost	817	587	324	501	1,141	1,088
(Gain) loss recognized in net periodic cost	(82)	(33)	(45)	(54)	(127)	(87)
Gain (loss) arising during the year	1,511	1,216	2,316	1,847	3,827	3,063
Items not yet recognized as component of net periodic cost on December 31	\$ 995	\$ (1,251)	\$ 2,529	\$ (66)	\$ 3,524	\$ (1,317)

The following table provides information regarding amounts in unassigned funds that are expected to be recognized as components of net periodic benefit costs during the year ended December 31, 2019:

	Post-Retirement Medical Plan	Supplemental Executive Retirement Plan	Total
Net actuarial gain	\$ 217	\$ 50	\$ 267
Prior service cost	(817)	(300)	(1,117)

The expected benefit payments for the Company's Post-Retirement Medical and Supplemental Executive Retirement plans for the years indicated are as follows:

	2019	2020	2021	2022	2023	2024 through 2028
Post-retirement medical plan	\$ 961	\$ 959	\$ 1,054	\$ 1,123	\$ 1,234	\$ 7,119
Supplemental executive retirement plan	2,347	2,530	2,473	10,206	5,701	9,085

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The following table presents the components of net periodic cost (benefit):

	Post-Retirement Medical Plan			Supplemental Executive Retirement Plan			Total		
	Year Ended December 31,			Year Ended December 31,			Year Ended December 31,		
	2018	2017	2016	2018	2017	2016	2018	2017	2016
Components of net periodic cost (benefit):									
Service cost	\$ 1,425	\$ 1,457	\$ 1,246	\$ —	\$ (16)	\$ 294	\$ 1,425	\$ 1,441	\$ 1,540
Interest cost	703	758	713	1,356	1,620	1,775	2,059	2,378	2,488
Amortization of unrecognized prior service cost	817	587	150	324	501	501	1,141	1,088	651
Amortization of gain from prior periods	(82)	(33)	(137)	(45)	(54)	(61)	(127)	(87)	(198)
Net periodic cost	<u>\$ 2,863</u>	<u>\$ 2,769</u>	<u>\$ 1,972</u>	<u>\$ 1,635</u>	<u>\$ 2,051</u>	<u>\$ 2,509</u>	<u>\$ 4,498</u>	<u>\$ 4,820</u>	<u>\$ 4,481</u>

The following tables present the assumptions used in determining benefit obligations of the Post-Retirement Medical and the Supplemental Executive Retirement plans at December 31, 2018 and 2017:

	Post-Retirement Medical Plan	
	December 31,	
	2018	2017
Discount rate	4.34%	3.63%
Initial health care cost trend	6.25%	6.50%
Ultimate health care cost trend	5.00%	5.00%
Year ultimate trend is reached	2024	2024

	Supplemental Executive Retirement Plan	
	December 31,	
	2018	2017
Discount rate	4.16%	3.43%
Rate of compensation increase	N/A	4.00%

During 2018, the Company adopted the Society of Actuaries Morality Improvement Scale (MP-2018).

During 2017, the Company adopted the Society of Actuaries Morality Improvement Scale (MP-2017).

The following tables present the weighted average interest rate assumptions used in determining the net periodic benefit/cost of the Post-Retirement Medical and the Supplemental Executive Retirement plans:

	Post-Retirement Medical Plan	
	Year Ended December 31,	
	2018	2017
Discount rate	3.63%	4.05%
Initial health care cost trend	6.50%	6.75%
Ultimate health care cost trend	5.00%	5.00%
Year ultimate trend is reached	2024	2024

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	Supplemental Executive Retirement Plan	
	Year Ended December 31,	
	2018	2017
Discount rate	3.43%	3.80%
Rate of compensation increase	4.00%	4.00%

The discount rate has been set based on the rates of return on high-quality fixed-income investments currently available and expected to be available during the period the benefits will be paid. In particular, the yields on bonds rated AA or better on the measurement date have been used to set the discount rate.

The following table presents the impact on the Post-Retirement Medical Plan that one-percentage-point change in assumed health care cost trend rates would have on the following:

	One percentage point increase	One percentage point decrease
Increase (decrease) on total service and interest cost on components	\$ 357	\$ (297)
Increase (decrease) on post-retirement benefit obligations	2,417	(2,075)

Beginning December 31, 2012, the Company began participation in the pension plan sponsored by GWL&A Financial. During 2017, that plan froze all future benefit accruals for pension-eligible participants as of December 31, 2017. The Company's share of net expense for the pension plan was \$3,057, \$0 and \$0 during the years ended December 31, 2018, 2017 and 2016.

In August 2017, the Company filed an application for a compliance statement from the IRS under their Voluntary Correction Program with respect to operational matters under the pension plan. The IRS issued a compliance statement approving the Company's request in November 2018. The corrective measure will result in a payment of approximately \$7 million to the plan in 2019.

The Company offers unfunded, non-qualified deferred compensation plans to a select group of executives, management and highly compensated individuals. Participants defer a portion of their compensation and realize potential market gains / losses or interest on the amount deferred. The programs are not qualified under Section 401 of the Internal Revenue Code. Participant balances, which are included in Amounts withheld or retained by company as agent or trustee in the accompanying statutory financial statements, are \$35,588 and \$33,454 at December 31, 2018 and 2017, respectively.

The Company sponsors a qualified defined contribution benefit plan covering all employees. Under this plan, employees may contribute a percentage of their annual compensation to the plan up to certain maximums, as defined by the plan and by the Internal Revenue Service ("IRS"). Currently, the Company matches a percentage of employee contributions in cash. The Company recognized \$11,935, \$8,713 and \$7,275 in expense related to this plan for the years ended December 31, 2018, 2017 and 2016, respectively.

17. Share-Based Compensation

Equity Awards

Lifeco, of which the Company is an indirect wholly-owned subsidiary, maintains the Great-West Lifeco Inc. Stock Option Plan (the "Lifeco plan") that provides for the granting of options on its common shares to certain of its officers and employees and those of its subsidiaries, including the Company. Options are granted with exercise prices not less than the average market price of the shares on the five days preceding the date of the grant. The Lifeco plan provides for the granting of options with varying terms and vesting requirements with vesting commencing on the first anniversary of the grant, exercisable within 10 years from the date of grant. Compensation expense is recognized in the Company's financial statements over the vesting period of these stock options using the accelerated method of recognition.

Termination of employment prior to the vesting of the options results in the forfeiture of the unvested options, unless otherwise determined by the Human Resources Committee. At its discretion, the Human Resources Committee may vest the unvested options of retiring option holders, with the options exercisable within five years from the date of retirement. In such event, the Company

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accelerates the recognition period to the date of retirement for any unrecognized share-based compensation cost related thereto and recognizes it in its earnings at that time.

Liability Awards

The Company maintains a Performance Share Unit Plan (“PSU plan”) for officers and employees of the Company. Under the PSU plan, “performance share units” are granted to certain of its officers and employees of the Company. Each performance unit has a value equal to one share of Lifeco common stock and is subject to adjustment for cash dividends paid to Lifeco stockholders, Company earnings results as well as stock dividends and splits, consolidations and the like that affect shares of Lifeco common stock outstanding.

If the performance share units vest, they are payable in cash equal to the average closing price of Lifeco common stock for the 20 trading days prior to the date following the last day of the three-year performance period. The estimated fair value of the performance unit is based on the average closing price of Lifeco common stock for the 20 trading days prior to the grant. The performance share units generally vest in their entirety at the end of the three years performance period based on continued service. The PSU plan contains a provision that permits all unvested performance share units to become vested upon death or retirement. Changes in the fair value of the performance share units that occur during the vesting period is recognized as compensation cost over that period.

Performance share units are settled in cash and are recorded as liabilities until payout is made. Unlike share-settled awards, which have a fixed grant-date fair value, the fair value of unsettled or unvested liabilities awards is remeasured at the end of each reporting period based on the change in fair value of one share of Lifeco common stock. The liability and corresponding expense are adjusted accordingly until the award is settled.

Compensation Expense Related to Share-Based Compensation

The compensation expense related to share-based compensation was as follows:

	Year Ended December 31,		
	2018	2017	2016
Lifeco Stock Plan	\$ 768	\$ 1,451	\$ 2,113
Performance Share Unit Plan	5,388	7,207	5,318
Total compensation expense	<u>\$ 6,156</u>	<u>\$ 8,658</u>	<u>\$ 7,431</u>
Income tax benefits	\$ 1,243	\$ 2,831	\$ 2,445

During the year ended December 31, 2018, 2017 and 2016, the Company had \$26, \$769 and \$555 respectively, income tax benefits realized from stock options exercised.

The following table presents the total unrecognized compensation expense related to share-based compensation at December 31, 2018 and the expected weighted average period over which these expenses will be recognized:

	Expense	Weighted average period (years)
Lifeco Stock Plan	\$ 819	1.6
Performance Share Unit Plan	8,403	1.4

Equity Award Activity

During the year ended December 31, 2018, Lifeco granted 473,400 stock options to employees of the Company. These stock options vest over five-year periods ending in 2023. Compensation expense of \$448 will be recognized in the Company’s financial statements over the vesting period of these stock options using the accelerated method of recognition.

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The following table summarizes the status of, and changes in, the Lifeco plan options granted to Company employees which are outstanding. The options granted relate to underlying stock traded in Canadian dollars on the Toronto Stock Exchange; therefore, the amounts, which are presented in United States dollars, will fluctuate as a result of exchange rate fluctuations.

	Shares under option	Weighted average		
		Exercise price (Whole dollars)	Remaining contractual term (Years)	Aggregate intrinsic value ⁽¹⁾
Outstanding, January 1, 2018	3,446,975	\$ 24.88		
Granted	473,400	25.15		
Exercised	(114,589)	21.06		
Cancelled and expired	(156,000)	24.54		
Outstanding, December 31, 2018	3,649,786	23.32	5.9	\$ 2,339
Vested and expected to vest, December 31, 2018	3,649,786	23.32	5.9	2,144
Exercisable, December 31, 2018	2,323,353	21.95	4.7	2,144

⁽¹⁾ The aggregate intrinsic value is calculated as the difference between the market price of Lifeco common shares on December 31, 2018 and the exercise price of the option (only if the result is positive) multiplied by the number of options.

The following table presents additional information regarding stock options under the Lifeco plan:

	Year Ended December 31,		
	2018	2017	2016
Weighted average fair value of options granted	\$ 0.95	\$ 2.75	\$ 2.74
Intrinsic value of options exercised ⁽¹⁾	345	2,869	2,102
Fair value of options vested	1,115	2,203	1,605

⁽¹⁾ The intrinsic value of options exercised is calculated as the difference between the market price of Lifeco common shares on the date of exercise and the exercise price of the option multiplied by the number of options exercised.

The fair value of the options granted during the years ended December 31, 2018, 2017 and 2016 was estimated on the date of the grant using the Black-Scholes option-pricing model with the following weighted average assumptions:

	Year Ended December 31,		
	2018	2017	2016
Dividend yield	4.55%	3.98%	3.99%
Expected volatility	9.01%	13.99%	19.03%
Risk free interest rate	2.03%	1.25%	0.80%
Expected duration (years)	6.0	6.0	6.0

Liability Award Activity

The following table summarizes the status of, and changes in, the Performance Share Unit Plan units granted to Company employees which are outstanding:

	Performance Units
Outstanding, January 1, 2018	681,510
Granted	405,464
Forfeited	(18,397)
Paid	(157,510)
Outstanding, December 31, 2018	911,067

Vested and expected to vest, December 31, 2018 911,067

The cash payment in settlement of the Performance Share Unit Plan units was \$4,104, \$3,398 and \$3,988 for the years ended December 31, 2018, 2017 and 2016, respectively.

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18. Participating Insurance

Individual life insurance premiums paid, net of reinsurance, under individual life insurance participating policies were 1%, 6%, and (2)% of total individual life insurance premiums earned during the years ended December 31, 2018, 2017 and 2016 respectively. The Company accounts for its policyholder dividends based upon the three-factor formula. The Company paid dividends in the amount of \$31,276, \$38,782 and \$45,842 to its policyholders during the years ended December 31, 2018, 2017 and 2016, respectively.

19. Concentrations

No customer accounted for 10% or more of the Company's revenues during the year ended December 31, 2018. In addition, neither Individual Markets nor Empower Retirement is dependent upon a single customer or a few customers. The loss of business from any one, or a few, independent brokers or agents would not have a material adverse effect on the Company or any of its business agents.

20. Commitments and Contingencies

Future Contractual Obligations

The following table summarizes the Company's estimated future contractual obligations:

	Payment due by period						Total
	2019	2020	2021	2022	2023	Thereafter	
Surplus notes - principal ⁽¹⁾	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 553,219	\$ 553,219
Surplus notes - interest ⁽²⁾	30,335	30,335	30,335	30,335	30,335	557,094	708,769
Investment purchase obligations ⁽³⁾	136,396	—	—	—	—	—	136,396
Operating leases ⁽⁴⁾	9,929	7,844	3,717	1,235	1,037	11,743	35,505
Other liabilities ⁽⁵⁾	23,334	26,774	12,695	19,579	6,935	16,204	105,521
Total	\$ 199,994	\$ 64,953	\$ 46,747	\$ 51,149	\$ 38,307	\$ 1,138,260	\$ 1,539,410

⁽¹⁾ **Surplus notes principal** - Represents contractual maturities of principal due to the Company's parent, GWL&A Financial, under the terms of three long-term surplus notes. The amounts shown in this table differ from the amounts included in the Company's Statement of Admitted Assets, Liabilities, Capital and Surplus because the amounts shown above do not consider the discount upon the issuance of one of the surplus notes.

⁽²⁾ **Surplus notes interest** - One long-term surplus note bears interest at a fixed rate through maturity. The second surplus note bore interest initially at a fixed rate but changed during 2016 to be based upon the current three-month London Interbank Offering Rate in addition to a spread. The third long-term surplus note bears interest at a fixed rate through maturity. The interest payments shown in this table are calculated based upon the contractual rates in effect on December 31, 2018 and do not consider the impact of future interest rate changes.

⁽³⁾ **Investment purchase obligations** - The Company makes commitments to fund partnership interests, mortgage loans, and other investments in the normal course of its business. As the timing of the fulfillment of the commitment to fund partnership interests cannot be predicted, such obligations are presented in the less than one year category. The timing of the funding of mortgage loans is based on the expiration date of the commitment. The amounts of these unfunded commitments at December 31, 2018 and 2017 were \$136,396 and \$313,242, of which \$104,286 and \$114,726 were related to cost basis limited partnership interests, respectively. All unfunded commitments at December 31, 2018 were due within one year. At December 31, 2017, \$312,152 is due within one year, and \$1,090 is due within one to three years.

⁽⁴⁾ **Operating leases** - The Company is obligated to make payments under various non-cancelable operating leases, primarily for office space. Contractual provisions exist that could increase the lease obligations presented, including operating expense escalation clauses. Management does not consider the impact of any such clauses to be material to the Company's operating lease obligations. Rent expense for the years ended December 31, 2018, 2017 and 2016 were \$27,768, \$28,244 and \$27,815 respectively.

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From time to time, the Company enters into agreements or contracts, including capital leases, to purchase goods or services in the normal course of its business. However, these agreements and contracts are not material and are excluded from the table above.

⁽⁵⁾ **Other liabilities** - Other liabilities include those other liabilities which represent contractual obligations not included elsewhere in the table above. If the timing of the payment of any other liabilities was sufficiently uncertain, the amounts were included in the less than one year category. Other liabilities presented in the table above include:

- Expected benefit payments for the Company's post-retirement medical plan and supplemental executive retirement plan through 2027
- Unrecognized tax benefits
- Miscellaneous purchase obligations to acquire goods and services

The Company has a revolving credit facility agreement in the amount of \$50,000 for general corporate purposes. The credit facility expired on March 1, 2018 and was replaced with a revolving credit facility agreement in the amount of \$50,000 with an expiration date of March 1, 2023. Interest accrues at a rate dependent on various conditions and terms of borrowings. The agreement requires, among other things, the Company to maintain a minimum adjusted net worth, of \$1,022,680, as defined in the credit facility agreement (compiled on the unconsolidated statutory accounting basis prescribed by the NAIC), at any time. The Company was in compliance with all covenants at December 31, 2018 and 2017. At December 31, 2018 and 2017 there were no outstanding amounts related to the current and prior credit facilities.

In addition, the Company has other letters of credit with a total amount of \$9,095, renewable annually for an indefinite period of time. At December 31, 2018 and 2017, there were no outstanding amounts related to those letters of credit.

Contingencies

From time to time, the Company may be threatened with, or named as a defendant in, lawsuits, arbitrations, and administrative claims. Any such claims that are decided against the Company could harm the Company's business. The Company is also subject to periodic regulatory audits and inspections which could result in fines or other disciplinary actions. Unfavorable outcomes in such matters may result in a material impact on the Company's financial position, results of operations, or cash flows.

The Company is defending lawsuits relating to the costs and features of certain of its retirement or fund products. Management believes the claims are without merit and will defend these actions. Based on the information known, these actions will not have a material adverse effect on the financial position of the Company.

The Company is involved in other various legal proceedings that arise in the ordinary course of its business. In the opinion of management, after consultation with counsel, the likelihood of loss from the resolution of these proceedings is remote and/or the estimated loss is not expected to have a material effect on the Company's financial position, results of its operations, or cash flows.

The Company and GWL&A NY have an agreement whereby the Company has committed to provide financial support to GWL&A NY related to the maintenance of adequate regulatory surplus and liquidity. The Company is obligated to invest in shares of GWL&A NY in order for GWL&A NY to maintain the capital and surplus at the greater of 1) \$6,000, 2) 200% of GWL&A NY RBC minimum capital requirements if GWL&A NY total assets are less than \$3,000,000 or 3) 175% of GWL&A NY RBC minimum capital requirements if GWL&A NY total assets are \$3,000,000 or more. There is no limitation on the maximum potential future payments under the guarantee. The Company has no liability at December 31, 2018 and 2017 for obligations under the guarantee.

21. Subsequent Events

Management has evaluated subsequent events for potential recognition or disclosure in the Company's statutory financial statements through March 19, 2019, the date on which they were issued.

On January 24, 2019, the Company announced that it had entered into an agreement with Protective Life Insurance Company ("Protective") to sell, via indemnity reinsurance, substantially all of its non-participating individual life insurance and annuity

GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY

Notes to Statutory Financial Statements

(In Thousands, Except Share Amounts)

business and group life and health business. The transaction is in its initial stage, and is expected to close in the first half of 2019 subject to regulatory and customary closing conditions. On the closing date of the proposed transaction, the Company will transfer to Protective assets equal to the statutory liabilities being reinsured and will receive a ceding commission (subject to post-closing adjustments) from Protective in consideration of the transferred business.

***Variable Annuity-1 Series
Account of Great-West Life
& Annuity Insurance
Company***

*Annual Statement for the Year Ended
December 31, 2018 and Report of Independent
Registered Public Accounting Firm*

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

	INVESTMENT DIVISIONS					
	AB VPS GROWTH AND INCOME PORTFOLIO	AB VPS GROWTH PORTFOLIO	AB VPS INTERNATIONAL GROWTH PORTFOLIO	AB VPS INTERNATIONAL VALUE PORTFOLIO	AB VPS REAL ESTATE INVESTMENT PORTFOLIO	AB VPS SMALL/MID CAP VALUE PORTFOLIO
ASSETS:						
Investments at fair value (1)	\$ 7,449,830	\$ 7,477,424	\$ 6,811,339	\$ 2,091,891	\$ 16,055,277	\$ 4,731,540
Investment income due and accrued						
Receivable for investments sold						542
Purchase payments receivable		4,902	3,241			
Due from Great-West Life & Annuity Insurance Company	67,543		24,470	1,565	233,378	1,574
Total assets	7,517,373	7,482,326	6,839,050	2,093,456	16,289,495	4,733,656
LIABILITIES:						
Payable for investments purchased		4,853	3,241			
Redemptions payable		49	681	205	840	542
Due to Great-West Life & Annuity Insurance Company	700	654			1,521	467
Total liabilities	700	5,556	3,922	205	2,361	1,009
NET ASSETS	\$ 7,516,673	\$ 7,476,770	\$ 6,835,128	\$ 2,093,251	\$ 16,287,134	\$ 4,732,647
NET ASSETS REPRESENTED BY:						
Accumulation units	\$ 7,324,540	\$ 7,476,770	\$ 6,701,203	\$ 2,082,652	\$ 15,488,643	\$ 4,730,485
Contracts in payout phase	192,133		133,925	10,600	798,491	2,162
NET ASSETS	\$ 7,516,673	\$ 7,476,770	\$ 6,835,128	\$ 2,093,251	\$ 16,287,134	\$ 4,732,647
ACCUMULATION UNITS OUTSTANDING	352,034	357,972	456,789	273,212	438,576	246,148
UNIT VALUE (ACCUMULATION)	\$ 20.81	\$ 20.89	\$ 14.67	\$ 7.62	\$ 35.32	\$ 19.22
(1) Cost of investments:	\$ 6,677,656	\$ 7,982,930	\$ 6,666,799	\$ 2,396,252	\$ 18,027,898	\$ 5,498,130
Shares of investments:	268,172	226,795	358,680	168,973	1,950,823	279,477

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

INVESTMENT DIVISIONS									
	ALGER BALANCED PORTFOLIO	ALGER CAPITAL APPRECIATION PORTFOLIO	ALGER LARGE CAP GROWTH PORTFOLIO	ALGER MID CAP GROWTH PORTFOLIO	ALPS RED ROCKS LISTED PRIVATE EQUITY PORTFOLIO	AMERICAN CENTURY INVESTMENTS VP BALANCED FUND			
ASSETS:									
Investments at fair value (1)	\$ 853,644	\$ 1,901,159	\$ 27,545,662	\$ 4,291,911	\$ 146,717	\$ 24,040,267			
Investment income due and accrued									
Receivable for investments sold			2,831	191	272	232			
Purchase payments receivable	9,985		92,365	22,086		12,104			
Due from Great-West Life & Annuity Insurance Company									
Total assets	863,629	1,901,159	27,640,858	4,314,188	146,989	24,052,603			
LIABILITIES:									
Payable for investments purchased									
Redemptions payable	80	164	2,831	191	13	232			
Due to Great-West Life & Annuity Insurance Company			2,926	449		2,316			
Total liabilities	80	164	5,757	640	285	2,548			
NET ASSETS	<u>\$ 863,549</u>	<u>\$ 1,900,995</u>	<u>\$ 27,635,101</u>	<u>\$ 4,313,548</u>	<u>\$ 146,704</u>	<u>\$ 24,050,055</u>			
NET ASSETS REPRESENTED BY:									
Accumulation units	\$ 842,801	\$ 1,900,995	\$ 27,314,018	\$ 4,238,182	\$ 146,704	\$ 23,984,617			
Contracts in payout phase	20,748		321,082	75,366		65,438			
NET ASSETS	<u>\$ 863,549</u>	<u>\$ 1,900,995</u>	<u>\$ 27,635,101</u>	<u>\$ 4,313,548</u>	<u>\$ 146,704</u>	<u>\$ 24,050,055</u>			
ACCUMULATION UNITS OUTSTANDING	43,533	147,188	949,212	156,450	12,754	1,445,133			
UNIT VALUE (ACCUMULATION)	<u>\$ 19.36</u>	<u>\$ 12.92</u>	<u>\$ 28.78</u>	<u>\$ 27.09</u>	<u>\$ 11.50</u>	<u>\$ 16.60</u>			
(1) Cost of investments:	\$ 796,861	\$ 2,322,053	\$ 31,337,485	\$ 4,355,466	\$ 178,474	\$ 24,838,955			
Shares of investments:	62,447	27,929	535,595	219,535	13,894	3,390,729			

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018

	INVESTMENT DIVISIONS							
	AMERICAN CENTURY INVESTMENTS VP INCOME & GROWTH FUND	AMERICAN CENTURY INVESTMENTS VP INTERNATIONAL FUND	AMERICAN CENTURY INVESTMENTS VP MID CAP VALUE FUND	AMERICAN CENTURY INVESTMENTS VP VALUE FUND	AMERICAN FUNDS IS GLOBAL GROWTH FUND	AMERICAN FUNDS IS GROWTH- INCOME FUND		
ASSETS:								
Investments at fair value (1)	\$ 6,743,713	\$ 5,776,635	\$ 9,934,216	\$ 21,797,108	\$ 1,447,643	\$ 1,383,800		
Investment income due and accrued								
Receivable for investments sold		2,110	5,285	3,828	21			
Purchase payments receivable	1,861	8,661	8,438	26,929				
Due from Great-West Life & Annuity Insurance Company								
Total assets	6,745,574	5,787,406	9,947,939	21,827,865	1,447,664	1,383,800		
LIABILITIES:								
Payable for investments purchased		1,968	4,832		21			
Redemptions payable		142	453	3,828	110	99		
Due to Great-West Life & Annuity Insurance Company	623	565	961	2,167				
Total liabilities	623	2,675	6,246	5,995	131	99		
NET ASSETS	<u>\$ 6,744,951</u>	<u>\$ 5,784,731</u>	<u>\$ 9,941,693</u>	<u>\$ 21,821,870</u>	<u>\$ 1,447,533</u>	<u>\$ 1,383,701</u>		
NET ASSETS REPRESENTED BY:								
Accumulation units	\$ 6,724,860	\$ 5,707,685	\$ 9,894,580	\$ 21,623,351	\$ 1,447,533	\$ 1,383,701		
Contracts in payout phase	20,090	77,046	47,113	198,519				
NET ASSETS	<u>\$ 6,744,951</u>	<u>\$ 5,784,731</u>	<u>\$ 9,941,693</u>	<u>\$ 21,821,870</u>	<u>\$ 1,447,533</u>	<u>\$ 1,383,701</u>		
ACCUMULATION UNITS OUTSTANDING	358,082	373,480	418,140	883,372	111,724	146,003		
UNIT VALUE (ACCUMULATION)	<u>\$ 18.78</u>	<u>\$ 15.28</u>	<u>\$ 23.66</u>	<u>\$ 24.48</u>	<u>\$ 12.96</u>	<u>\$ 9.48</u>		
(1) Cost of investments:	\$ 7,124,552	\$ 6,357,288	\$ 11,013,930	\$ 20,657,691	\$ 1,515,074	\$ 1,552,153		
Shares of investments:	747,640	605,517	542,261	2,177,533	56,241	31,118		

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

	INVESTMENT DIVISIONS							
	AMERICAN FUNDS IS INTERNATIONAL FUND	AMERICAN FUNDS IS NEW WORLD FUND	BLACKROCK GLOBAL ALLOCATION VI FUND	CLEARBRIDGE VARIABLE LARGE CAP GROWTH PORTFOLIO	CLEARBRIDGE VARIABLE MID CAP PORTFOLIO	CLEARBRIDGE VARIABLE SMALL CAP GROWTH PORTFOLIO		
ASSETS:								
Investments at fair value (1)	\$ 1,466,271	\$ 2,864,858	\$ 8,400,654	\$ 488,720	\$ 176,704	\$ 2,160,140		
Investment income due and accrued								
Receivable for investments sold			2,912					
Purchase payments receivable		3,715						4,898
Due from Great-West Life & Annuity Insurance Company								
Total assets	1,466,271	2,868,573	8,403,566	488,720	176,704	2,165,038		
LIABILITIES:								
Payable for investments purchased		3,715						4,854
Redemptions payable			2,912					44
Due to Great-West Life & Annuity Insurance Company	113	223	1,362	42	16	156		
Total liabilities	113	3,938	4,274	42	16	5,054		
NET ASSETS	<u>\$ 1,466,158</u>	<u>\$ 2,864,635</u>	<u>\$ 8,399,292</u>	<u>\$ 488,678</u>	<u>\$ 176,688</u>	<u>\$ 2,159,984</u>		
NET ASSETS REPRESENTED BY:								
Accumulation units	\$ 1,466,158	\$ 2,864,635	\$ 8,385,670	\$ 488,678	\$ 176,688	\$ 2,159,984		
Contracts in payout phase			13,622					
NET ASSETS	<u>\$ 1,466,158</u>	<u>\$ 2,864,635</u>	<u>\$ 8,399,292</u>	<u>\$ 488,678</u>	<u>\$ 176,688</u>	<u>\$ 2,159,984</u>		
ACCUMULATION UNITS OUTSTANDING								
UNIT VALUE (ACCUMULATION)	\$ 146,413	251,273	790,353	51,162	16,410	168,330		
	<u>\$ 10.01</u>	<u>\$ 11.40</u>	<u>\$ 10.61</u>	<u>\$ 9.55</u>	<u>\$ 10.77</u>	<u>\$ 12.83</u>		
(1) Cost of investments:	\$ 1,679,658	\$ 3,270,352	\$ 9,126,179	\$ 553,727	\$ 199,018	\$ 2,441,616		
Shares of investments:	83,311	137,800	553,038	20,491	10,238	90,458		

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018

INVESTMENT DIVISIONS										
	COLUMBIA VARIABLE PORTFOLIO - GROWTH FUND	COLUMBIA VARIABLE PORTFOLIO - GLOBAL TECHNOLOGY FUND	COLUMBIA VARIABLE PORTFOLIO - SMALL CAP VALUE FUND	DELAWARE VIP EMERGING MARKETS SERIES	DELAWARE VIP INTERNATIONAL VALUE EQUITY SERIES	DELAWARE VIP SMALL CAP VALUE SERIES				
ASSETS:										
Investments at fair value (1)	\$ 2,310,621	\$ 9,810,609	\$ 1,471,613	\$ 3,560,314	\$ 235,659	\$ 17,833,367				
Investment income due and accrued										
Receivable for investments sold	230	94		3,084		10,927				
Purchase payments receivable		8,207	1,543			2,685				
Due from Great-West Life & Annuity Insurance Company						38,222				
Total assets	2,310,851	9,818,910	1,473,156	3,563,398	235,659	17,885,201				
LIABILITIES:										
Payable for investments purchased										
Redemptions payable	230	94		1,633		13,612				
Due to Great-West Life & Annuity Insurance Company	3,347	1,007	147	1,451	21	1,735				
Total liabilities	3,577	1,101	147	3,397	21	15,347				
NET ASSETS	\$ 2,307,274	\$ 9,817,809	\$ 1,473,009	\$ 3,560,001	\$ 235,638	\$ 17,869,854				
NET ASSETS REPRESENTED BY:										
Accumulation units	\$ 2,302,206	\$ 9,794,744	\$ 1,470,889	\$ 3,560,001	\$ 235,638	\$ 17,707,857				
Contracts in payout phase	5,069	23,064	2,120			161,997				
NET ASSETS	\$ 2,307,274	\$ 9,817,809	\$ 1,473,009	\$ 3,560,001	\$ 235,638	\$ 17,869,854				
ACCUMULATION UNITS OUTSTANDING	181,389	421,811	72,559	346,660	28,544	532,123				
UNIT VALUE (ACCUMULATION)	\$ 12.69	\$ 23.22	\$ 20.27	\$ 10.27	\$ 8.26	\$ 33.28				
(1) Cost of investments:	\$ 2,179,400	\$ 11,799,831	\$ 1,975,713	\$ 4,172,466	\$ 253,029	\$ 19,922,727				
Shares of investments:	146,613	600,772	104,222	174,868	21,963	544,364				

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

	INVESTMENT DIVISIONS					
	DELAWARE VIP SMID CAP CORE SERIES	DELAWARE VIP VALUE SERIES	DIMENSIONAL VA US TARGETED VALUE PORTFOLIO	DREYFUS IP MIDCAP STOCK PORTFOLIO	DREYFUS VIF APPRECIATION PORTFOLIO	DREYFUS VIF GROWTH AND INCOME PORTFOLIO
ASSETS:						
Investments at fair value (1)	\$ 8,571,406	\$ 437,538	\$ 1,720,066	\$ 2,720,834	\$ 7,722,614	\$ 4,611,338
Investment income due and accrued					24,543	10,801
Receivable for investments sold	4,973	4,906	120		185	10,221
Purchase payments receivable	5,768			1,852	17,505	7,211
Due from Great-West Life & Annuity Insurance Company						
Total assets	8,582,147	442,444	1,720,186	2,722,686	7,764,847	4,639,571
LIABILITIES:						
Payable for investments purchased	2,389	4,906	120			10,221
Redemptions payable	2,584			252	185	
Due to Great-West Life & Annuity Insurance Company	810	36	120		808	455
Total liabilities	5,783	4,942	240	252	993	10,676
NET ASSETS	<u>\$ 8,576,364</u>	<u>\$ 437,502</u>	<u>\$ 1,719,946</u>	<u>\$ 2,722,434</u>	<u>\$ 7,763,854</u>	<u>\$ 4,628,895</u>
NET ASSETS REPRESENTED BY:						
Accumulation units	\$ 8,564,005	\$ 437,502	\$ 1,719,946	\$ 2,700,061	\$ 7,697,442	\$ 4,571,330
Contracts in payout phase	12,360			22,373	66,413	57,565
NET ASSETS	<u>\$ 8,576,364</u>	<u>\$ 437,502</u>	<u>\$ 1,719,946</u>	<u>\$ 2,722,434</u>	<u>\$ 7,763,854</u>	<u>\$ 4,628,895</u>
ACCUMULATION UNITS OUTSTANDING						
UNIT VALUE (ACCUMULATION)	\$ 24.27	\$ 10.68	\$ 11.08	\$ 18.17	\$ 21.91	\$ 18.09
(1) Cost of investments:	\$ 11,590,082	\$ 473,024	\$ 2,224,644	\$ 3,126,581	\$ 9,146,211	\$ 4,595,644
Shares of investments:	453,034	15,455	112,717	161,954	215,475	164,514

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

	INVESTMENT DIVISIONS						
	DREYFUS VIF OPPORTUNISTIC SMALL CAP PORTFOLIO	DWS CAPITAL GROWTH VIP	DWS CORE EQUITY VIP	DWS CROCI® U.S. VIP	DWS GLOBAL SMALL CAP VIP	DWS SMALL CAP INDEX VIP	
ASSETS:							
Investments at fair value (1)	\$ 561,357	\$ 22,711,433	\$ 11,258,676	\$ 5,764,216	\$ 1,000,362	\$ 21,988,570	
Investment income due and accrued							
Receivable for investments sold		4,913	274	10,484	104	8,768	
Purchase payments receivable		115,233	17,370			102,208	
Due from Great-West Life & Annuity Insurance Company							
Total assets	561,357	22,831,579	11,276,320	5,774,700	1,000,466	22,099,546	
LIABILITIES:							
Payable for investments purchased		3,514	132			8,033	
Redemptions payable		1,399	142		104	735	
Due to Great-West Life & Annuity Insurance Company	53	2,229	1,063	573	88	2,125	
Total liabilities	53	7,142	1,337	573	192	10,893	
NET ASSETS	<u>\$ 561,304</u>	<u>\$ 22,824,437</u>	<u>\$ 11,274,983</u>	<u>\$ 5,774,127</u>	<u>\$ 1,000,274</u>	<u>\$ 22,088,653</u>	
NET ASSETS REPRESENTED BY:							
Accumulation units	\$ 561,304	\$ 22,499,007	\$ 11,204,657	\$ 5,727,714	\$ 1,000,274	\$ 21,596,052	
Contracts in payout phase		325,429	70,326	46,413		492,602	
NET ASSETS	<u>\$ 561,304</u>	<u>\$ 22,824,437</u>	<u>\$ 11,274,983</u>	<u>\$ 5,774,127</u>	<u>\$ 1,000,274</u>	<u>\$ 22,088,653</u>	
ACCUMULATION UNITS OUTSTANDING							
	29,087	978,891	521,603	358,135	109,631	1,052,482	
UNIT VALUE (ACCUMULATION)	<u>\$ 19.30</u>	<u>\$ 22.98</u>	<u>\$ 21.48</u>	<u>\$ 15.99</u>	<u>\$ 9.12</u>	<u>\$ 20.52</u>	
(1) Cost of investments:	\$ 653,485	\$ 23,664,683	\$ 12,986,274	\$ 6,587,396	\$ 1,323,195	\$ 24,410,982	
Shares of investments:	13,625	832,836	1,145,338	428,248	112,274	1,468,842	

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

INVESTMENT DIVISIONS									
	DWS SMALL MID CAP GROWTH VIP	DWS SMALL MID CAP VALUE VIP	FEDERATED FUND FOR U.S. GOVERNMENT SECURITIES II	FEDERATED MANAGED VOLATILITY FUND II	FRANKLIN SMALL CAP VALUE VIP FUND	GOLDMAN SACHS VIT MULTI- STRATEGY ALTERNATIVES PORTFOLIO			
ASSETS:									
Investments at fair value (1)	\$ 1,520,112	\$ 3,306,663	\$ 29,482,140	\$ 2,004,866	\$ 3,900,363	\$ 183,012			
Investment income due and accrued									
Receivable for investments sold									
Purchase payments receivable	4,074	599	40,215			3,790			
Due from Great-West Life & Annuity Insurance Company			107,637			1,568			
Total assets	1,524,186	3,307,262	29,629,992	2,004,866	3,905,721	183,012			
LIABILITIES:									
Payable for investments purchased			35,994			3,729			
Redemptions payable	137	321	4,221			61			
Due to Great-West Life & Annuity Insurance Company			3,037	1,643		358			15
Total liabilities	137	321	43,252	1,643		4,148			15
NET ASSETS	\$ 1,524,049	\$ 3,306,941	\$ 29,586,740	\$ 2,003,223	\$ 3,901,573	\$ 182,997			
NET ASSETS REPRESENTED BY:									
Accumulation units	\$ 1,488,941	\$ 3,302,688	\$ 28,888,764	\$ 1,982,364	\$ 3,899,419	\$ 182,997			
Contracts in payout phase	35,108	4,254	697,976	20,859	2,154				
NET ASSETS	\$ 1,524,049	\$ 3,306,941	\$ 29,586,740	\$ 2,003,223	\$ 3,901,573	\$ 182,997			
ACCUMULATION UNITS OUTSTANDING	103,412	201,699	1,872,807	87,446	247,936	18,591			
UNIT VALUE (ACCUMULATION)	\$ 14.40	\$ 16.37	\$ 15.43	\$ 22.67	\$ 15.73	\$ 9.84			
(1) Cost of investments:	\$ 2,153,617	\$ 4,299,298	\$ 30,562,084	\$ 2,130,790	\$ 5,016,432	\$ 199,370			
Shares of investments:	119,883	270,816	2,802,485	208,840	267,148	21,480			

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	GREAT-WEST AGGRESSIVE PROFILE FUND	GREAT-WEST ARIEL MID CAP VALUE FUND	GREAT-WEST BOND INDEX FUND	GREAT-WEST CONSERVATIVE PROFILE FUND	GREAT-WEST INVESCO SMALL CAP VALUE FUND	GREAT-WEST LIFETIME 2015 FUND
ASSETS:						
Investments at fair value (1)	\$ 33,412	\$ 203,847	\$ 1,464,665	\$ 2,171,603	\$ 149,763	\$ 4,833
Investment income due and accrued						
Receivable for investments sold				2,264		
Purchase payments receivable			81,330			
Due from Great-West Life & Annuity Insurance Company						
Total assets	33,412	203,847	1,545,995	2,173,867	149,763	4,833
LIABILITIES:						
Payable for investments purchased			81,330			
Redemptions payable				2,264		
Due to Great-West Life & Annuity Insurance Company	3	19	121	172	13	
Total liabilities	3	19	81,451	2,436	13	0
NET ASSETS	<u>\$ 33,409</u>	<u>\$ 203,828</u>	<u>\$ 1,464,544</u>	<u>\$ 2,171,431</u>	<u>\$ 149,750</u>	<u>\$ 4,833</u>
NET ASSETS REPRESENTED BY:						
Accumulation units	\$ 33,409	\$ 203,828	\$ 1,464,544	\$ 2,171,431	\$ 149,750	\$ 4,833
Contracts in payout phase						
NET ASSETS	<u>\$ 33,409</u>	<u>\$ 203,828</u>	<u>\$ 1,464,544</u>	<u>\$ 2,171,431</u>	<u>\$ 149,750</u>	<u>\$ 4,833</u>
ACCUMULATION UNITS OUTSTANDING						
UNIT VALUE (ACCUMULATION)	\$ 8.99	\$ 9.65	\$ 10.16	\$ 9.71	\$ 11.14	\$ 9.59
(1) Cost of investments:	\$ 41,015	\$ 241,032	\$ 1,448,614	\$ 2,332,067	\$ 191,193	\$ 5,427
Shares of investments:	6,020	138,671	107,934	289,934	16,733	380

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

	INVESTMENT DIVISIONS					
	GREAT-WEST LIFETIME 2020 FUND	GREAT-WEST LIFETIME 2025 FUND	GREAT-WEST LIFETIME 2030 FUND	GREAT-WEST LIFETIME 2035 FUND	GREAT-WEST LIFETIME 2050 FUND	GREAT-WEST LIFETIME 2055 FUND
ASSETS:						
Investments at fair value (1)	\$ 5,472,547	\$ 393,801	\$ 66,646	\$ 66,874	\$ 42,479	\$ 16,986
Investment income due and accrued						
Receivable for investments sold						
Purchase payments receivable						
Due from Great-West Life & Annuity Insurance Company						
Total assets	5,472,547	393,801	66,646	66,874	42,479	16,986
LIABILITIES:						
Payable for investments purchased						
Redemptions payable						
Due to Great-West Life & Annuity Insurance Company	378	28	6	6	3	1
Total liabilities	378	28	6	6	3	1
NET ASSETS	<u>\$ 5,472,169</u>	<u>\$ 393,773</u>	<u>\$ 66,640</u>	<u>\$ 66,868</u>	<u>\$ 42,476</u>	<u>\$ 16,985</u>
NET ASSETS REPRESENTED BY:						
Accumulation units	\$ 5,472,169	\$ 393,773	\$ 66,640	\$ 66,868	\$ 42,476	\$ 16,985
Contracts in payout phase						
NET ASSETS	<u>\$ 5,472,169</u>	<u>\$ 393,773</u>	<u>\$ 66,640</u>	<u>\$ 66,868</u>	<u>\$ 42,476</u>	<u>\$ 16,985</u>
ACCUMULATION UNITS OUTSTANDING						
	574,527	41,670	7,139	7,256	4,699	1,882
UNIT VALUE (ACCUMULATION)	<u>\$ 9.52</u>	<u>\$ 9.45</u>	<u>\$ 9.33</u>	<u>\$ 9.22</u>	<u>\$ 9.04</u>	<u>\$ 9.02</u>
(1) Cost of investments:	\$ 6,105,106	\$ 451,198	\$ 73,445	\$ 80,904	\$ 45,374	\$ 18,219
Shares of investments:	547,255	29,856	6,579	5,257	4,165	1,121

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

	INVESTMENT DIVISIONS					
	GREAT-WEST MID CAP VALUE FUND	GREAT-WEST MODERATE PROFILE FUND	GREAT-WEST MODERATELY AGGRESSIVE PROFILE FUND	GREAT-WEST MODERATELY CONSERVATIVE PROFILE FUND	GREAT-WEST MULTI-SECTOR BOND FUND	GREAT-WEST SECURE- FOUNDATION® BALANCED FUND
ASSETS:						
Investments at fair value (1)	\$ 236,918	\$ 3,059,346	\$ 221,704	\$ 223,101	\$ 4,215,716	\$ 165,234,509
Investment income due and accrued						
Receivable for investments sold		1,219		255	23	427,198
Purchase payments receivable						
Due from Great-West Life & Annuity Insurance Company						
Total assets	236,918	3,060,565	221,704	223,356	4,215,739	165,661,707
LIABILITIES:						
Payable for investments purchased						
Redemptions payable	20	1,219	16	255	23	427,198
Due to Great-West Life & Annuity Insurance Company		265		18	358	16,170
Total liabilities	20	1,484	16	273	381	443,368
NET ASSETS	\$ 236,898	\$ 3,059,081	\$ 221,688	\$ 223,083	\$ 4,215,358	\$ 165,218,339
NET ASSETS REPRESENTED BY:						
Accumulation units						
Contracts in payout phase	\$ 236,898	\$ 3,059,081	\$ 221,688	\$ 223,083	\$ 4,215,358	\$ 164,887,254
NET ASSETS	\$ 236,898	\$ 3,059,081	\$ 221,688	\$ 223,083	\$ 4,215,358	\$ 165,218,339
ACCUMULATION UNITS OUTSTANDING	20,436	325,620	23,942	23,374	398,850	14,319,029
UNIT VALUE (ACCUMULATION)	\$ 11.59	\$ 9.39	\$ 9.26	\$ 9.54	\$ 10.57	\$ 11.52
(1) Cost of investments:	\$ 289,964	\$ 3,381,442	\$ 253,637	\$ 241,653	\$ 4,434,415	\$ 173,622,091
Shares of investments:	22,650	492,648	31,946	28,312	334,050	13,488,531

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	GREAT-WEST T. ROWE PRICE MID CAP GROWTH FUND	INVESTCO V.I. COMSTOCK FUND	INVESTCO V.I. CORE EQUITY FUND	INVESTCO V.I. GROWTH & INCOME FUND	INVESTCO V.I. HIGH YIELD FUND	INVESTCO V.I. INTERNATIONAL GROWTH FUND
ASSETS:						
Investments at fair value (1)	\$ 972,133	\$ 5,141,806	\$ 2,867,161	\$ 9,903,093	\$ 4,436,316	\$ 11,558,592
Investment income due and accrued						
Receivable for investments sold	99	7,885		8,891	616	1,760
Purchase payments receivable		6,211	11,268	14,400	5,137	26,227
Due from Great-West Life & Annuity Insurance Company						
Total assets	972,232	5,155,902	2,878,429	9,932,958	4,442,069	11,586,579
LIABILITIES:						
Payable for investments purchased		7,885				1,372
Redemptions payable	99	491		15,465	616	388
Due to Great-West Life & Annuity Insurance Company	83		331	972	437	1,131
Total liabilities	182	8,376	331	16,437	1,053	2,891
NET ASSETS	<u>\$ 972,050</u>	<u>\$ 5,147,526</u>	<u>\$ 2,878,098</u>	<u>\$ 9,916,521</u>	<u>\$ 4,441,016</u>	<u>\$ 11,583,688</u>
NET ASSETS REPRESENTED BY:						
Accumulation units	\$ 972,050	\$ 5,092,741	\$ 2,814,897	\$ 9,777,792	\$ 4,428,705	\$ 11,414,005
Contracts in payout phase		54,785	63,201	138,730	12,311	169,684
NET ASSETS	<u>\$ 972,050</u>	<u>\$ 5,147,526</u>	<u>\$ 2,878,098</u>	<u>\$ 9,916,521</u>	<u>\$ 4,441,016</u>	<u>\$ 11,583,688</u>
ACCUMULATION UNITS OUTSTANDING						
	88,938	278,125	89,665	504,692	245,281	899,719
UNIT VALUE (ACCUMULATION)	<u>\$ 10.93</u>	<u>\$ 18.31</u>	<u>\$ 31.39</u>	<u>\$ 19.37</u>	<u>\$ 18.06</u>	<u>\$ 12.69</u>
(1) Cost of investments:	\$ 1,127,350	\$ 6,054,365	\$ 2,659,045	\$ 12,217,837	\$ 4,716,007	\$ 12,499,222
Shares of investments:	40,506	318,971	92,668	565,568	876,742	350,473

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

INVESTMENT DIVISIONS									

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018

INVESTMENT DIVISIONS												
	JANUS HENDERSON VIT FLEXIBLE BOND PORTFOLIO INSTITUTIONAL SHARES		JANUS HENDERSON VIT FLEXIBLE BOND PORTFOLIO SERVICE SHARES		JANUS HENDERSON VIT GLOBAL RESEARCH PORTFOLIO		JANUS HENDERSON VIT GLOBAL TECHNOLOGY PORTFOLIO INSTITUTIONAL SHARES		JANUS HENDERSON VIT OVERSEAS PORTFOLIO INSTITUTIONAL SHARES			
ASSETS:												
Investments at fair value (1)	\$	19,726,866	\$	38,900,844	\$	10,373,821	\$	243,511	\$	6,949,680	\$	2,764,155
Investment income due and accrued												
Receivable for investments sold		7,790		7,077		10,221						
Purchase payments receivable												
Due from Great-West Life & Annuity Insurance Company		112,602		25,120		54,282						11,939
Total assets		19,847,258		38,933,041		10,438,324		243,511		6,949,680		2,776,094
LIABILITIES:												
Payable for investments purchased						10,190						
Redemptions payable		7,790		7,077		31						
Due to Great-West Life & Annuity Insurance Company		1,803		3,856		1,079		18		656		320
Total liabilities		9,593		10,933		11,300		18		656		320
NET ASSETS	\$	19,837,665	\$	38,922,108	\$	10,427,024	\$	243,493	\$	6,949,024	\$	2,775,774
NET ASSETS REPRESENTED BY:												
Accumulation units	\$	19,533,595	\$	38,390,493	\$	10,219,364	\$	243,493	\$	6,949,024	\$	2,738,317
Contracts in payout phase		304,070		531,616		207,659						37,456
NET ASSETS	\$	19,837,665	\$	38,922,108	\$	10,427,024	\$	243,493	\$	6,949,024	\$	2,775,774
ACCUMULATION UNITS OUTSTANDING		1,363,435		2,552,408		545,163		13,139		371,350		122,989
UNIT VALUE (ACCUMULATION)	\$	14.33	\$	15.04	\$	18.75	\$	18.53	\$	18.71	\$	22.26
(1) Cost of investments:	\$	20,922,403	\$	41,131,767	\$	8,055,220	\$	271,441	\$	7,810,396	\$	3,775,742
Shares of investments:		1,759,756		3,180,772		220,111		22,017		621,062		103,488

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

INVESTMENT DIVISIONS													
		JANUS HENDERSON VIT OVERSEAS PORTFOLIO SERVICE SHARES		JANUS HENDERSON VIT RESEARCH PORTFOLIO		JPMORGAN INSURANCE TRUST SMALL CAP CORE PORTFOLIO		LAZARD RETIREMENT EMERGING MARKETS EQUITY PORTFOLIO		LVIP BARON GROWTH OPPORTUNITIES FUND		MFS VIT II INTERNATIONAL VALUE PORTFOLIO	
ASSETS:													
Investments at fair value (1)	\$	1,239,205	\$	6,740,649	\$	2,648,491	\$	12,501,357	\$	19,010,092	\$	34,777,823	
Investment income due and accrued													
Receivable for investments sold		32						2,016		895		7,205	
Purchase payments receivable						353							
Due from Great-West Life & Annuity Insurance Company		16,284		65,201		4,580		24,314		92,265		14,670	
Total assets		1,255,521		6,805,850		2,653,424		12,527,687		19,103,252		34,799,698	
LIABILITIES:													
Payable for investments purchased						353						3,850	
Redemptions payable		32		775		242		2,016		895		3,355	
Due to Great-West Life & Annuity Insurance Company		143		775		242		1,197		1,980		3,301	
Total liabilities		175		775		595		3,213		2,875		10,506	
NET ASSETS	\$	1,255,346	\$	6,805,075	\$	2,652,829	\$	12,524,474	\$	19,100,377	\$	34,789,192	
NET ASSETS REPRESENTED BY:													
Accumulation units	\$	1,205,210	\$	6,545,843	\$	2,627,930	\$	12,353,810	\$	18,691,914	\$	34,644,842	
Contracts in payout phase		50,136		259,232		24,900		170,664		408,463		144,350	
NET ASSETS	\$	1,255,346	\$	6,805,075	\$	2,652,829	\$	12,524,474	\$	19,100,377	\$	34,789,192	
ACCUMULATION UNITS OUTSTANDING		143,130		179,632		118,361		916,087		531,183		1,810,178	
UNIT VALUE (ACCUMULATION)	\$	8.42	\$	36.44	\$	22.20	\$	13.49	\$	35.19	\$	19.14	
(1) Cost of investments:	\$	1,346,007	\$	5,279,062	\$	3,120,496	\$	13,973,094	\$	18,397,298	\$	33,336,801	
Shares of investments:		48,331		200,019		125,521		664,966		419,306		1,413,733	

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018

INVESTMENT DIVISIONS										
	MFS VIT III MID CAP VALUE PORTFOLIO	MFS VIT UTILITIES SERIES	MORGAN STANLEY VIF U.S. REAL ESTATE PORTFOLIO	NEUBERGER BERMAN AMT MID CAP INTRINSIC VALUE PORTFOLIO	NEUBERGER BERMAN AMT SUSTAINABLE EQUITY PORTFOLIO	NVIT MID CAP INDEX FUND				
ASSETS:										
Investments at fair value (1)	\$ 366,665	\$ 5,461,314	\$ 4,685,001	\$ 785,913	\$ 484,431	\$ 18,397,030				
Investment income due and accrued				858						
Receivable for investments sold										
Purchase payments receivable		10,221		62,244	4,727					1,284
Due from Great-West Life & Annuity Insurance Company										71,837
Total assets	366,665	5,471,535	4,748,103	790,640	484,431	18,470,151				
LIABILITIES:										
Payable for investments purchased		10,221								1,284
Redemptions payable	29	24,317	858		72	32				1,823
Due to Great-West Life & Annuity Insurance Company			545							
Total liabilities	29	34,538	1,403		72	32				3,107
NET ASSETS	\$ 366,636	\$ 5,436,997	\$ 4,746,700	\$ 790,568	\$ 484,399	\$ 18,467,044				
NET ASSETS REPRESENTED BY:										
Accumulation units	\$ 366,636	\$ 5,419,831	\$ 4,473,158	\$ 768,494	\$ 484,399	\$ 18,153,268				
Contracts in payout phase		17,166	273,542	22,075		313,775				
NET ASSETS	\$ 366,636	\$ 5,436,997	\$ 4,746,700	\$ 790,568	\$ 484,399	\$ 18,467,044				
ACCUMULATION UNITS OUTSTANDING	38,075	363,234	96,781	52,474	41,700	711,740				
UNIT VALUE (ACCUMULATION)	\$ 9.63	\$ 14.92	\$ 46.22	\$ 14.65	\$ 11.62	\$ 25.51				
(1) Cost of investments:	\$ 422,025	\$ 5,269,190	\$ 5,001,211	\$ 874,769	\$ 473,936	\$ 21,679,585				
Shares of investments:	49,416	189,235	240,010	43,783	21,256	895,668				

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

INVESTMENT DIVISIONS										
	OPPENHEIMER GLOBAL FUND/V/A	OPPENHEIMER INTERNATIONAL GROWTH FUND/V/A	OPPENHEIMER MAIN STREET SMALL CAP FUND/V/A	PIMCO VIT COMMODITY REAL RETURN STRATEGY PORTFOLIO	PIMCO VIT EMERGING MARKETS BOND PORTFOLIO	PIMCO VIT HIGH YIELD PORTFOLIO				
ASSETS:										
Investments at fair value (1)	\$ 27,117,560	\$ 13,088,790	\$ 2,758,313	\$ 1,166,024	\$ 581,417	\$ 2,046	\$ 26,685,294			
Investment income due and accrued							113,498			
Receivable for investments sold	983						852			
Purchase payments receivable	2,127	7,432	851	165						
Due from Great-West Life & Annuity Insurance Company	53,403	2,143								31,331
Total assets	27,174,073	13,098,365	2,759,164	1,166,189	583,463		26,830,975			
LIABILITIES:										
Payable for investments purchased		7,321	806	165						
Redemptions payable	3,110	111	45	99	46		852			
Due to Great-West Life & Annuity Insurance Company	2,687	1,178	230				2,620			
Total liabilities	5,797	8,610	1,081	264	46		3,472			
NET ASSETS	\$ 27,168,276	\$ 13,089,755	\$ 2,758,083	\$ 1,165,925	\$ 583,417	\$ 26,827,503				
NET ASSETS REPRESENTED BY:										
Accumulation units	\$ 26,863,335	\$ 13,051,018	\$ 2,758,083	\$ 1,165,925	\$ 583,417	\$ 26,586,608				
Contracts in payout phase	304,941	38,737				240,895				
NET ASSETS	\$ 27,168,276	\$ 13,089,755	\$ 2,758,083	\$ 1,165,925	\$ 583,417	\$ 26,827,503				
ACCUMULATION UNITS OUTSTANDING	1,028,741	871,502	226,410	214,926	59,564	1,299,677				
UNIT VALUE (ACCUMULATION)	\$ 26.11	\$ 14.98	\$ 12.18	\$ 5.42	\$ 9.79	\$ 20.46				
(1) Cost of investments:	\$ 27,989,023	\$ 15,464,088	\$ 3,317,813	\$ 1,392,235	\$ 609,979	\$ 28,254,352				
Shares of investments:	713,620	6,447,680	135,477	193,692	48,411	3,665,562				

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

	INVESTMENT DIVISIONS					
	PIMCO VIT LOW DURATION PORTFOLIO	PIMCO VIT REAL RETURN PORTFOLIO	PIMCO VIT TOTAL RETURN PORTFOLIO	PIONEER BOND VCT PORTFOLIO	PIONEER FUND VCT PORTFOLIO	PIONEER MID CAP VALUE VCT PORTFOLIO
ASSETS:						
Investments at fair value (1)	\$ 77,777,963	\$ 2,382,946	\$ 119,462,878	\$ 99,563	\$ 2,927,324	\$ 1,299,542
Investment income due and accrued	202,004	3,887	318,586	383		
Receivable for investments sold	12,818	159	116,010		920	204
Purchase payments receivable	5,393					
Due from Great-West Life & Annuity Insurance Company	163,790		163,647			3,537
Total assets	78,161,968	2,386,992	120,061,121	99,946	2,928,244	1,303,283
LIABILITIES:						
Payable for investments purchased					920	
Redemptions payable	18,211	159	116,010			204
Due to Great-West Life & Annuity Insurance Company	7,531	186	11,375	9	499	135
Total liabilities	25,742	345	127,385	9	1,419	339
NET ASSETS	\$ 78,136,226	\$ 2,386,647	\$ 119,933,736	\$ 99,937	\$ 2,926,825	\$ 1,302,944
NET ASSETS REPRESENTED BY:						
Accumulation units	\$ 77,153,520	\$ 2,386,647	\$ 118,582,072	\$ 99,937	\$ 2,870,982	\$ 1,290,803
Contracts in payout phase	982,705		1,351,664		55,844	12,141
NET ASSETS	\$ 78,136,226	\$ 2,386,647	\$ 119,933,736	\$ 99,937	\$ 2,926,825	\$ 1,302,944
ACCUMULATION UNITS OUTSTANDING	6,166,434	242,274	8,263,213	9,955	116,918	85,505
UNIT VALUE (ACCUMULATION)	\$ 12.51	\$ 9.85	\$ 14.35	\$ 10.04	\$ 24.56	\$ 15.10
(1) Cost of investments:	\$ 80,205,068	\$ 2,465,559	\$ 125,101,096	\$ 100,463	\$ 3,908,984	\$ 1,684,019
Shares of investments:	7,716,068	201,092	11,399,130	9,428	216,518	84,661

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

INVESTMENT DIVISIONS												
		PIONEER SELECT MID CAP GROWTH VCT PORTFOLIO	PRUDENTIAL SERIES FUND EQUITY PORTFOLIO	PRUDENTIAL SERIES FUND NATURAL RESOURCES PORTFOLIO	PUTNAM VT EQUITY INCOME FUND	PUTNAM VT GLOBAL ASSET ALLOCATION FUND	PUTNAM VT GLOBAL HEALTH CARE FUND					
ASSETS:												
Investments at fair value (1)	\$	6,210,073	\$	1,300,154	\$	629,698	\$	11,514,381	\$	953,414	\$	4,171,446
Investment income due and accrued												
Receivable for investments sold		558				284						998
Purchase payments receivable		8,073		2,101		310		45,792				
Due from Great-West Life & Annuity Insurance Company												
Total assets		6,218,704		1,302,255		630,292		11,560,173		953,414		4,172,444
LIABILITIES:												
Payable for investments purchased												
Redemptions payable		558				284						998
Due to Great-West Life & Annuity Insurance Company		666		136		58		1,119		91		2,431
Total liabilities		1,224		136		342		1,119		91		3,429
NET ASSETS	\$	6,217,480	\$	1,302,119	\$	629,950	\$	11,559,054	\$	953,323	\$	4,169,015
NET ASSETS REPRESENTED BY:												
Accumulation units	\$	6,206,566	\$	1,295,131	\$	629,640	\$	11,192,147	\$	953,323	\$	4,161,542
Contracts in payout phase		10,914		6,988		310		366,907				7,473
NET ASSETS	\$	6,217,480	\$	1,302,119	\$	629,950	\$	11,559,054	\$	953,323	\$	4,169,015
ACCUMULATION UNITS OUTSTANDING												
UNIT VALUE (ACCUMULATION)	\$	260,593		49,885		78,693		612,009		84,759		216,543
	\$	23.82	\$	25.96	\$	8.00	\$	18.29	\$	11.25	\$	19.22
(1) Cost of investments:	\$	6,936,337	\$	956,824	\$	1,057,389	\$	11,602,388	\$	1,092,092	\$	5,185,366
Shares of investments:		250,204		26,879		29,619		498,027		62,849		310,375

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

	INVESTMENT DIVISIONS					
	PUTNAM VT INCOME FUND	PUTNAM VT INTERNATIONAL EQUITY FUND	PUTNAM VT INTERNATIONAL VALUE FUND	PUTNAM VT MORTGAGE SECURITIES FUND	PUTNAM VT MULTI-CAP CORE FUND	PUTNAM VT SMALL CAP VALUE FUND
ASSETS:						
Investments at fair value (1)	\$ 3,978,137	\$ 1,036,052	\$ 811,914	\$ 5,662,067	\$ 751,580	\$ 24,502
Investment income due and accrued						
Receivable for investments sold	302			86	1,046	12,428
Purchase payments receivable					7,929	
Due from Great-West Life & Annuity Insurance Company						
Total assets	3,978,439	1,036,052	812,000	5,671,042	764,008	24,502
LIABILITIES:						
Payable for investments purchased						
Redemptions payable	302			86	1,046	12,428
Due to Great-West Life & Annuity Insurance Company	333	89	62	548	71	2
Total liabilities	635	89	148	1,594	12,499	2
NET ASSETS	<u>\$ 3,977,804</u>	<u>\$ 1,035,963</u>	<u>\$ 811,852</u>	<u>\$ 5,669,448</u>	<u>\$ 751,509</u>	<u>\$ 24,500</u>
NET ASSETS REPRESENTED BY:						
Accumulation units	\$ 3,977,804	\$ 1,035,963	\$ 811,852	\$ 5,604,055	\$ 751,509	\$ 24,500
Contracts in payout phase				65,393		
NET ASSETS	<u>\$ 3,977,804</u>	<u>\$ 1,035,963</u>	<u>\$ 811,852</u>	<u>\$ 5,669,448</u>	<u>\$ 751,509</u>	<u>\$ 24,500</u>
ACCUMULATION UNITS OUTSTANDING	386,832	102,325	88,456	530,641	56,143	2,419
UNIT VALUE (ACCUMULATION)	<u>\$ 10.28</u>	<u>\$ 10.12</u>	<u>\$ 9.18</u>	<u>\$ 10.56</u>	<u>\$ 13.39</u>	<u>\$ 10.13</u>
(1) Cost of investments:	\$ 3,983,318	\$ 1,203,275	\$ 920,677	\$ 5,912,609	\$ 832,408	\$ 37,306
Shares of investments:	368,005	84,163	85,735	616,783	44,393	2,716

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018

		INVESTMENT DIVISIONS										
		ROYCE CAPITAL FUND - SMALL- CAP PORTFOLIO	SCHWAB GOVERNMENT MONEY MARKET PORTFOLIO	SCHWAB S&P 500 INDEX PORTFOLIO	SCHWAB VIT BALANCED PORTFOLIO	SCHWAB VIT BALANCED WITH GROWTH PORTFOLIO	SCHWAB VIT GROWTH PORTFOLIO					
ASSETS:												
Investments at fair value (1)	\$	3,086,849	\$	123,537,826	\$	321,113,362	\$	4,543,890	\$	4,687,748	\$	2,627,014
Investment income due and accrued				306,722								
Receivable for investments sold				285,882								
Purchase payments receivable				263,273		367,912				1,378		
Due from Great-West Life & Annuity Insurance Company		5,230		193,938		726,643						
Total assets		3,092,079		124,587,641		322,207,917		4,543,890		4,689,126		2,627,014
LIABILITIES:												
Payable for investments purchased						360,554				1,378		
Redemptions payable				549,155		7,358				347		178
Due to Great-West Life & Annuity Insurance Company		313		12,052		30,589		305				
Total liabilities		313		561,207		398,501		305		1,725		178
NET ASSETS	\$	3,091,766	\$	124,026,434	\$	321,809,416	\$	4,543,585	\$	4,687,401	\$	2,626,836
NET ASSETS REPRESENTED BY:												
Accumulation units	\$	3,054,962	\$	121,515,379	\$	316,612,443	\$	4,543,585	\$	4,687,401	\$	2,626,836
Contracts in payout phase		36,805		2,511,055		5,196,973						
NET ASSETS	\$	3,091,766	\$	124,026,434	\$	321,809,416	\$	4,543,585	\$	4,687,401	\$	2,626,836
ACCUMULATION UNITS OUTSTANDING												
UNIT VALUE (ACCUMULATION)	\$	137.061		11,060.952		15,011.984		428.885		431.838		235.470
	\$	22.29	\$	10.99	\$	21.09	\$	10.59	\$	10.85	\$	11.16
(1) Cost of investments:	\$	4,091,675	\$	123,537,826	\$	262,229,281	\$	4,760,822	\$	4,840,461	\$	2,906,613
Shares of investments:		401,411		123,537,826		8,655,347		384,424		370,280		191,056

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

	INVESTMENT DIVISIONS					
	T. ROWE PRICE HEALTH SCIENCES PORTFOLIO	T. ROWE PRICE HEALTH SCIENCES PORTFOLIO CLASS II	TEMPLETON FOREIGN VIP FUND	TEMPLETON GLOBAL BOND VIP FUND	THIRD AVENUE VALUE PORTFOLIO	TVST TOUCHSTONE BOND FUND
ASSETS:						
Investments at fair value (1)	\$ 1,522,497	\$ 2,064,692	\$ 6,930,817	\$ 9,388,226	\$ 1,282,148	\$ 7,334,339
Investment income due and accrued						
Receivable for investments sold				8,240		284
Purchase payments receivable	4,940	7,872	2,648	3,235	3,973	2,229
Due from Great-West Life & Annuity Insurance Company						
Total assets	1,527,437	2,072,564	6,933,465	9,400,101	1,286,121	7,336,852
LIABILITIES:						
Payable for investments purchased	4,893					
Redemptions payable	47			8,640		284
Due to Great-West Life & Annuity Insurance Company	106	196	647	841	124	677
Total liabilities	5,046	196	647	9,481	124	961
NET ASSETS	<u>\$ 1,522,391</u>	<u>\$ 2,072,368</u>	<u>\$ 6,932,818</u>	<u>\$ 9,390,620</u>	<u>\$ 1,285,997</u>	<u>\$ 7,335,891</u>
NET ASSETS REPRESENTED BY:						
Accumulation units	\$ 1,522,391	\$ 2,008,021	\$ 6,922,070	\$ 9,351,484	\$ 1,271,126	\$ 7,298,895
Contracts in payout phase		64,347	10,747	39,135	14,870	36,996
NET ASSETS	<u>\$ 1,522,391</u>	<u>\$ 2,072,368</u>	<u>\$ 6,932,818</u>	<u>\$ 9,390,620</u>	<u>\$ 1,285,997</u>	<u>\$ 7,335,891</u>
ACCUMULATION UNITS OUTSTANDING	97,371	128,955	636,914	941,953	130,992	640,317
UNIT VALUE (ACCUMULATION)	<u>\$ 15.63</u>	<u>\$ 15.57</u>	<u>\$ 10.87</u>	<u>\$ 9.93</u>	<u>\$ 9.70</u>	<u>\$ 11.40</u>
(1) Cost of investments:	\$ 1,755,653	\$ 2,191,351	\$ 8,228,391	\$ 9,208,486	\$ 1,192,618	\$ 7,698,143
Shares of investments:	37,742	53,462	544,020	557,827	88,730	798,078

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

	INVESTMENT DIVISIONS					
	TVST TOUCHSTONE COMMON STOCK FUND	TVST TOUCHSTONE FOCUSED FUND	TVST TOUCHSTONE SMALL COMPANY FUND	VAN ECK VIP GLOBAL HARD ASSETS FUND	VAN ECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND	VANGUARD VIF CAPITAL GROWTH PORTFOLIO
ASSETS:						
Investments at fair value (1)	\$ 8,809,921	\$ 3,507,761	\$ 6,249,671	\$ 2,198,864	\$ 3,791,006	\$ 5,848,206
Investment income due and accrued						
Receivable for investments sold	448			974	21,155	4,902
Purchase payments receivable			10,259	553		
Due from Great-West Life & Annuity Insurance Company	6,543	2,105	341	406	7,314	
Total assets	8,816,912	3,509,866	6,260,271	2,200,797	3,819,475	5,853,108
LIABILITIES:						
Payable for investments purchased						
Redemptions payable	448		10,103	156	1,527	21,155
Due to Great-West Life & Annuity Insurance Company	855	319	594	204	386	422
Total liabilities	1,303	319	10,853	1,731	21,541	5,324
NET ASSETS	\$ 8,815,609	\$ 3,509,547	\$ 6,249,418	\$ 2,199,066	\$ 3,797,934	\$ 5,847,784
NET ASSETS REPRESENTED BY:						
Accumulation units	\$ 8,800,316	\$ 3,501,227	\$ 6,249,077	\$ 2,195,451	\$ 3,757,935	\$ 5,847,784
Contracts in payout phase	15,293	8,320	341	3,615	40,000	
NET ASSETS	\$ 8,815,609	\$ 3,509,547	\$ 6,249,418	\$ 2,199,066	\$ 3,797,934	\$ 5,847,784
ACCUMULATION UNITS OUTSTANDING	327,144	144,324	277,397	304,744	341,235	374,627
UNIT VALUE (ACCUMULATION)	\$ 26.90	\$ 24.26	\$ 22.53	\$ 7.20	\$ 11.01	\$ 15.61
(1) Cost of investments:	\$ 14,350,054	\$ 3,809,937	\$ 7,185,617	\$ 2,967,469	\$ 4,210,448	\$ 5,712,177
Shares of investments:	1,210,154	207,437	492,488	134,323	488,532	174,625

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

INVESTMENT DIVISIONS									
	VANGUARD VIF DIVERSIFIED VALUE PORTFOLIO	VANGUARD VIF MID-CAP INDEX PORTFOLIO	VANGUARD VIF REAL ESTATE INDEX PORTFOLIO	VANGUARD VIF SMALL COMPANY GROWTH PORTFOLIO	WELLS FARGO VT DISCOVERY FUND	WELLS FARGO VT OMEGA GROWTH FUND			
ASSETS:									
Investments at fair value (1)	\$ 4,264,737	\$ 9,469,421	\$ 3,548,289	\$ 3,261,726	\$ 6,198,559	\$ 1,388,020			
Investment income due and accrued						1			
Receivable for investments sold				100					
Purchase payments receivable	467	17,094	4,045	9,360					
Due from Great-West Life & Annuity Insurance Company					6,351				
Total assets	4,265,204	9,486,515	3,552,434	3,271,086	6,204,911	1,388,020			
LIABILITIES:									
Payable for investments purchased	467	16,937		9,360					
Redemptions payable		157	4,145						
Due to Great-West Life & Annuity Insurance Company	315	690	263	237	586	143			
Total liabilities	782	17,784	4,408	9,597	586	143			
NET ASSETS	\$ 4,264,422	\$ 9,468,731	\$ 3,548,026	\$ 3,261,489	\$ 6,204,325	\$ 1,387,877			
NET ASSETS REPRESENTED BY:									
Accumulation units	\$ 4,264,422	\$ 9,468,731	\$ 3,548,026	\$ 3,261,489	\$ 6,161,319	\$ 1,387,877			
Contracts in payout phase					43,006				
NET ASSETS	\$ 4,264,422	\$ 9,468,731	\$ 3,548,026	\$ 3,261,489	\$ 6,204,325	\$ 1,387,877			
ACCUMULATION UNITS OUTSTANDING	371,131	756,186	294,448	240,786	254,953	97,560			
UNIT VALUE (ACCUMULATION)	\$ 11.49	\$ 12.52	\$ 12.05	\$ 13.55	\$ 24.17	\$ 14.23			
(1) Cost of investments:	\$ 4,762,421	\$ 10,402,720	\$ 3,944,771	\$ 3,676,066	\$ 7,030,159	\$ 1,533,288			
Shares of investments:	297,609	468,088	306,680	160,755	237,129	55,015			

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2018**

	INVESTMENT DIVISIONS
	WELLS FARGO VT OPPORTUNITY FUND
ASSETS:	
Investments at fair value (1)	\$ 5,412,048
Investment income due and accrued	
Receivable for investments sold	
Purchase payments receivable	72,914
Due from Great-West Life & Annuity Insurance Company	
Total assets	5,484,962
LIABILITIES:	
Payable for investments purchased	
Redemptions payable	539
Due to Great-West Life & Annuity Insurance Company	
Total liabilities	539
NET ASSETS	\$ 5,484,423
NET ASSETS REPRESENTED BY:	
Accumulation units	\$ 5,350,931
Contracts in payout phase	133,492
NET ASSETS	\$ 5,484,423
ACCUMULATION UNITS OUTSTANDING	206,755
UNIT VALUE (ACCUMULATION)	\$ 25.88
(1) Cost of investments:	\$ 5,822,493
Shares of investments:	236,851

The accompanying notes are an integral part of these financial statements. (Concluded)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	AB VPS GROWTH AND INCOME PORTFOLIO	AB VPS GROWTH PORTFOLIO	AB VPS INTERNATIONAL GROWTH PORTFOLIO	AB VPS INTERNATIONAL VALUE PORTFOLIO	AB VPS REAL ESTATE INVESTMENT PORTFOLIO	AB VPS SMALL/MID CAP VALUE PORTFOLIO
INVESTMENT INCOME:						
Dividends	\$ 82,753	\$	\$ 58,577	\$ 39,808	\$ 326,212	\$ 28,820
EXPENSES:						
Mortality and expense risk	58,895	53,105	64,474	19,757	119,744	43,517
NET INVESTMENT INCOME (LOSS)	23,858	(53,105)	(5,897)	20,051	206,468	(14,697)
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	361,471	143,406	220,981	31,534	(858,762)	117,257
Realized gain on distributions	933,471	1,129,985			682,860	480,788
Net realized gain (loss) on investments	1,294,942	1,273,391	220,981	31,534	(175,902)	598,045
Change in net unrealized appreciation (depreciation) on investments	(1,839,660)	(1,087,810)	(1,801,962)	(700,270)	(899,858)	(1,448,334)
Net realized and unrealized gain (loss) on investments	(544,718)	185,581	(1,580,981)	(668,736)	(1,075,760)	(850,289)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (520,860)	\$ 132,476	\$ (1,586,878)	\$ (648,685)	\$ (869,292)	\$ (864,986)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	ALGER BALANCED PORTFOLIO	ALGER CAPITAL APPRECIATION PORTFOLIO	ALGER LARGE CAP GROWTH PORTFOLIO	ALGER MID CAP GROWTH PORTFOLIO	ALPS RED ROCKS LISTED PRIVATE EQUITY PORTFOLIO	AMERICAN CENTURY INVESTMENTS VP BALANCED FUND
INVESTMENT INCOME:						
Dividends	\$ 37,029	\$ 1,778	\$	\$	\$ 9,566	\$ 344,406
EXPENSES:						
Mortality and expense risk	6,217	9,410	236,737	41,637	1,188	172,901
NET INVESTMENT INCOME (LOSS)	30,812	(7,632)	(236,737)	(41,637)	8,378	171,505
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	5,048	81,206	1,158,269	544,547	3,339	67,630
Realized gain on distributions	115,765	340,326	5,112,974	682,111	467	158,586
Net realized gain (loss) on investments	120,813	421,532	6,271,243	1,226,658	3,806	226,216
Change in net unrealized appreciation (depreciation) on investments	(187,031)	(524,462)	(5,998,419)	(1,514,894)	(34,939)	(1,564,496)
Net realized and unrealized gain (loss) on investments	(66,218)	(102,930)	272,824	(288,236)	(31,133)	(1,338,280)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (35,406)	\$ (110,562)	\$ 36,087	\$ (329,873)	\$ (22,755)	\$ (1,166,775)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	AMERICAN CENTURY INVESTMENTS VP INCOME & GROWTH FUND	AMERICAN CENTURY INVESTMENTS VP INTERNATIONAL FUND	AMERICAN CENTURY INVESTMENTS VP MID CAP VALUE FUND	AMERICAN CENTURY INVESTMENTS VP VALUE FUND	AMERICAN FUNDS IS GLOBAL GROWTH FUND	AMERICAN FUNDS IS GROWTH- INCOME FUND
INVESTMENT INCOME:						(1)
Dividends	\$ 143,854	\$ 91,284	\$ 147,851	\$ 403,498	\$ 14,655	\$ 17,215
EXPENSES:						
Mortality and expense risk	51,963	52,322	84,308	178,996	7,470	2,852
NET INVESTMENT INCOME (LOSS)	91,891	38,962	63,543	224,502	7,185	14,363
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	41,103	312,988	361,812	1,906,134	11,110	(16,117)
Realized gain on distributions	553,487	472,060	732,713	1,575	83,643	
Net realized gain (loss) on investments	594,590	785,048	1,094,525	1,907,709	94,753	(16,117)
Change in net unrealized appreciation (depreciation) on investments	(1,256,327)	(1,971,853)	(2,708,823)	(4,478,653)	(254,873)	(168,353)
Net realized and unrealized gain (loss) on investments	(661,737)	(1,186,805)	(1,614,298)	(2,570,944)	(160,120)	(184,470)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (569,846)	\$ (1,147,843)	\$ (1,550,755)	\$ (2,346,442)	\$ (152,935)	\$ (170,107)

(1) For the period June 13, 2018 to December 31, 2018.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018**

	INVESTMENT DIVISIONS						
	AMERICAN FUNDS IS INTERNATIONAL FUND	AMERICAN FUNDS IS NEW WORLD FUND	BLACKROCK GLOBAL ALLOCATION VI FUND	CLEARBRIDGE VARIABLE LARGE CAP GROWTH PORTFOLIO	CLEARBRIDGE VARIABLE MID CAP PORTFOLIO	CLEARBRIDGE VARIABLE SMALL CAP GROWTH PORTFOLIO	
INVESTMENT INCOME:				(1)			
Dividends	\$ 26,086	\$ 23,697	\$ 87,226	\$ 1,510	\$ 1,007	\$	
EXPENSES:							
Mortality and expense risk	5,799	11,764	54,278	1,686	1,317	11,977	
NET INVESTMENT INCOME (LOSS)	20,287	11,933	32,948	(176)	(310)	(11,977)	
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:							
Net realized gain (loss) on sale of fund shares	4,729	72,255	33,718	3,907	464	180,283	
Realized gain on distributions	41,889	40,514	338,043	14,016	3,581	264,088	
Net realized gain (loss) on investments	46,618	112,769	371,761	17,923	4,045	444,371	
Change in net unrealized appreciation (depreciation) on investments	(260,316)	(538,077)	(1,123,748)	(65,007)	(30,118)	(539,543)	
Net realized and unrealized gain (loss) on investments	(213,698)	(425,308)	(751,987)	(47,084)	(26,073)	(95,172)	
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (193,411)	\$ (413,375)	\$ (719,039)	\$ (47,260)	\$ (26,383)	\$ (107,149)	
(1)	For the period June 6, 2018 to December 31, 2018.						

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

		INVESTMENT DIVISIONS							
		COLUMBIA VARIABLE PORTFOLIO - GROWTH FUND	COLUMBIA VARIABLE PORTFOLIO - SELIGMAN GLOBAL TECHNOLOGY FUND	COLUMBIA VARIABLE PORTFOLIO - SMALL CAP VALUE FUND	DELAWARE VIP EMERGING MARKETS SERIES	DELAWARE VIP INTERNATIONAL VALUE EQUITY SERIES	DELAWARE VIP SMALL CAP VALUE SERIES		
INVESTMENT INCOME:	\$			\$	3,498	\$	158,175	\$	184,481
Dividends									
EXPENSES:									
Mortality and expense risk	19,058		108,940	14,805	28,811	305	159,614		
NET INVESTMENT INCOME (LOSS)	(19,058)	(108,940)	(11,307)	129,364	(305)	24,867			
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:									
Net realized gain (loss) on sale of fund shares	165,551	(318,152)	90,278	440,415	(161)	560,071			
Realized gain on distributions		1,533,185	299,287	15,817		1,568,873			
Net realized gain (loss) on investments	165,551	1,215,033	389,565	456,232	(161)	2,128,944			
Change in net unrealized appreciation (depreciation) on investments	(300,002)	(1,972,794)	(716,942)	(1,344,948)	(17,370)	(5,884,257)			
Net realized and unrealized gain (loss) on investments	(134,451)	(757,761)	(327,377)	(888,716)	(17,531)	(3,755,313)			
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (153,509)	\$ (866,701)	\$ (338,684)	\$ (759,352)	\$ (17,836)	\$ (3,730,446)			
(1)	For the period September 18, 2018 to December 31, 2018.								

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	DELAWARE VIP SMID CAP CORE SERIES	DELAWARE VIP VALUE SERIES	DIMENSIONAL VA US TARGETED VALUE PORTFOLIO	DREYFUS IP MIDCAP STOCK PORTFOLIO	DREYFUS VIF APPRECIATION PORTFOLIO	DREYFUS VIF GROWTH AND INCOME PORTFOLIO
INVESTMENT INCOME:						
Dividends	\$ 16,809	\$ 3,087	\$ 19,982	\$ 19,084	\$ 113,804	\$ 41,823
EXPENSES:						
Mortality and expense risk	69,189	1,277	12,446	21,171	70,305	38,047
NET INVESTMENT INCOME (LOSS)	(52,380)	1,810	7,536	(2,087)	43,499	3,776
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	(310,192)	1,793	207,867	(80,052)	(146,872)	68,986
Realized gain on distributions	2,861,967	11,466	116,329	391,289	1,211,775	469,789
Net realized gain (loss) on investments	2,551,775	13,259	324,196	311,237	1,064,903	538,775
Change in net unrealized appreciation (depreciation) on investments	(3,778,188)	(38,279)	(644,074)	(866,222)	(1,760,677)	(793,952)
Net realized and unrealized gain (loss) on investments	(1,226,413)	(25,020)	(319,878)	(554,985)	(695,774)	(255,177)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (1,278,793)	\$ (23,210)	\$ (312,342)	\$ (557,072)	\$ (652,275)	\$ (251,401)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	DREYFUS VIP OPPORTUNISTIC SMALL CAP PORTFOLIO	DWS CAPITAL GROWTH VIP	DWS CORE EQUITY VIP	DWS CROCI® U.S. VIP	DWS GLOBAL SMALL CAP VIP	DWS SMALL CAP INDEX VIP
INVESTMENT INCOME:						
Dividends	\$	\$ 180,138	\$ 205,700	\$ 173,131	\$ 2,992	\$ 231,734
EXPENSES:						
Mortality and expense risk	4,934	185,178	83,863	50,799	7,672	180,269
NET INVESTMENT INCOME (LOSS)	(4,934)	(5,040)	121,837	122,332	(4,680)	51,465
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	5,951	398,704	260,192	40,382	(19,838)	428,107
Realized gain on distributions	117,605	2,289,816	3,069,861	495,706	140,996	1,644,741
Net realized gain (loss) on investments	123,556	2,688,520	3,330,053	536,088	121,158	2,072,848
Change in net unrealized appreciation (depreciation) on investments	(255,637)	(3,298,291)	(4,126,379)	(1,394,776)	(386,162)	(5,180,923)
Net realized and unrealized gain (loss) on investments	(132,081)	(609,771)	(796,326)	(858,688)	(265,004)	(3,108,075)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (137,015)	\$ (614,811)	\$ (674,489)	\$ (736,356)	\$ (269,684)	\$ (3,056,610)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018**

	INVESTMENT DIVISIONS					
	DWS SMALL MID CAP GROWTH VIP	DWS SMALL MID CAP VALUE VIP	FEDERATED FUND FOR U.S. GOVERNMENT SECURITIES II	FEDERATED MANAGED TAIL RISK FUND II (1)	FEDERATED MANAGED VOLATILITY FUND II	FRANKLIN SMALL CAP VALUE VIP FUND
INVESTMENT INCOME:						
Dividends	\$	\$	\$	\$	\$	\$
		56,676	749,152	59,714	18,700	38,507
EXPENSES:						
Mortality and expense risk	11,187	29,875	233,107	9,247	10,374	31,205
NET INVESTMENT INCOME (LOSS)	(11,187)	26,801	516,045	50,467	8,326	7,302
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	(115,955)	48,546	(398,990)	(387,603)	20,426	81,540
Realized gain on distributions	533,354	732,052				655,784
Net realized gain (loss) on investments	417,399	780,598	(398,990)	(387,603)	20,426	737,324
Change in net unrealized appreciation (depreciation) on investments	(665,246)	(1,481,414)	(268,540)	321,938	(238,972)	(1,360,615)
Net realized and unrealized gain (loss) on investments	(247,847)	(700,816)	(667,530)	(65,665)	(218,546)	(623,291)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (259,034)	\$ (674,015)	\$ (151,485)	\$ (15,198)	\$ (210,220)	\$ (615,989)
(1)	For the period January 1, 2018 to August 20, 2018.					

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

INVESTMENT DIVISIONS							
	GOLDMAN SACHS VIT MULTI- STRATEGY ALTERNATIVES PORTFOLIO	GREAT-WEST AGGRESSIVE PROFILE FUND (1)	GREAT-WEST ARIEL MID CAP VALUE FUND	GREAT-WEST BOND INDEX FUND (2)	GREAT-WEST CONSERVATIVE PROFILE FUND (3)	GREAT-WEST INVESCO SMALL CAP VALUE FUND	
INVESTMENT INCOME:							
Dividends	\$ 4,959	\$ 579	\$ 1,638	\$ 4,082	\$ 42,431	\$ 4,779	
EXPENSES:							
Mortality and expense risk	925	55	1,707	977	4,524	722	
NET INVESTMENT INCOME (LOSS)	4,034	524	(69)	3,105	37,907	4,057	
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:							
Net realized gain (loss) on sale of fund shares	(213)	(5)	1,028	57	(8,025)	(849)	
Realized gain on distributions		3,294	142		49,205	6,097	
Net realized gain (loss) on investments	(213)	3,289	1,170	57	41,180	5,248	
Change in net unrealized appreciation (depreciation) on investments	(16,578)	(7,603)	(36,867)	16,051	(160,464)	(39,972)	
Net realized and unrealized gain (loss) on investments	(16,791)	(4,314)	(35,697)	16,108	(119,284)	(34,724)	
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (12,757)	\$ (3,790)	\$ (35,766)	\$ 19,213	\$ (81,377)	\$ (30,667)	

(1) For the period August 21, 2018 to December 31, 2018.

(2) For the period June 12, 2018 to December 31, 2018.

(3) For the period May 24, 2018 to December 31, 2018.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018**

	INVESTMENT DIVISIONS					
	GREAT-WEST LIFETIME 2015 FUND	GREAT-WEST LIFETIME 2020 FUND	GREAT-WEST LIFETIME 2025 FUND	GREAT-WEST LIFETIME 2030 FUND	GREAT-WEST LIFETIME 2035 FUND	GREAT-WEST LIFETIME 2050 FUND
INVESTMENT INCOME:						
Dividends	\$ 74	\$ 110,910	\$ 6,587	\$ 1,246	\$ 972	\$ 928
EXPENSES:						
Mortality and expense risk	9	11,871	1,082	89	147	10
NET INVESTMENT INCOME (LOSS)	65	99,039	5,505	1,157	825	918
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	181	(4,166)	72	(3)	(12)	903
Realized gain on distributions	181	146,532	21,485	1,338	5,565	903
Net realized gain (loss) on investments	181	142,366	21,557	1,335	5,553	903
Change in net unrealized appreciation (depreciation) on investments	(594)	(632,559)	(57,397)	(6,799)	(14,030)	(2,895)
Net realized and unrealized gain (loss) on investments	(413)	(490,193)	(35,840)	(5,464)	(8,477)	(1,992)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (348)	\$ (391,154)	\$ (30,335)	\$ (4,307)	\$ (7,652)	\$ (1,074)
	(1) For the period August 28, 2018 to December 31, 2018.	(2) For the period July 25, 2018 to December 31, 2018.	(3) For the period May 24, 2018 to December 31, 2018.	(4) For the period October 17, 2018 to December 31, 2018.	(5) For the period September 7, 2018 to December 31, 2018.	(6) For the period December 17, 2018 to December 31, 2018.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018**

	INVESTMENT DIVISIONS					
	GREAT-WEST LIFETIME 2055 FUND (1)	GREAT-WEST MID CAP VALUE FUND	GREAT-WEST MODERATE PROFILE FUND (2)	GREAT-WEST MODERATELY AGGRESSIVE PROFILE FUND (3)	GREAT-WEST MODERATELY CONSERVATIVE PROFILE FUND (4)	GREAT-WEST MULTI-SECTOR BOND FUND
INVESTMENT INCOME:						
Dividends	\$ 230	\$ 12,270	\$ 51,882	\$ 4,412	\$ 4,330	\$ 95,003
EXPENSES:						
Mortality and expense risk	4	1,596	3,867	328	481	22,842
NET INVESTMENT INCOME (LOSS)	226	10,674	48,015	4,084	3,849	72,161
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	571	(5,691)	(1,223)	(1,843)	(5,637)	(1,186)
Realized gain on distributions	571	6,855	121,803	10,159	8,126	22,054
Net realized gain (loss) on investments	571	1,164	120,580	8,316	2,489	20,868
Change in net unrealized appreciation (depreciation) on investments	(1,233)	(46,865)	(322,096)	(31,933)	(18,552)	(243,860)
Net realized and unrealized gain (loss) on investments	(662)	(45,701)	(201,516)	(23,617)	(16,063)	(222,992)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (436)	\$ (35,027)	\$ (153,501)	\$ (19,533)	\$ (12,214)	\$ (150,831)
	(1) For the period December 17, 2018 to December 31, 2018.					
	(2) For the period August 8, 2018 to December 31, 2018.					
	(3) For the period July 17, 2018 to December 31, 2018.					
	(4) For the period July 10, 2018 to December 31, 2018.					

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	GREAT-WEST SECURE- FOUNDATION® BALANCED FUND	GREAT-WEST T. ROWE PRICE MID CAP GROWTH FUND	INVESCO V.I. COMSTOCK FUND	INVESCO V.I. CORE EQUITY FUND	INVESCO V.I. GROWTH & INCOME FUND	INVESCO V.I. HIGH YIELD FUND
INVESTMENT INCOME:						
Dividends	\$ 3,518,172	\$ 734	\$ 100,470	\$ 31,112	\$ 240,737	\$ 236,834
EXPENSES:						
Mortality and expense risk	1,163,235	3,775	42,269	30,571	86,290	34,018
NET INVESTMENT INCOME (LOSS)	2,354,937	(3,041)	58,201	541	154,447	202,816
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	750,359	579	252,865	341,385	(161,121)	14,487
Realized gain on distributions	6,976,313	54,614	570,982	222,826	1,097,212	
Net realized gain (loss) on investments	7,726,672	55,193	823,847	564,211	936,091	14,487
Change in net unrealized appreciation (depreciation) on investments	(20,561,404)	(157,521)	(1,628,765)	(884,891)	(2,701,492)	(423,359)
Net realized and unrealized gain (loss) on investments	(12,834,732)	(102,328)	(804,918)	(320,680)	(1,765,401)	(408,872)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (10,479,795)	\$ (105,369)	\$ (746,717)	\$ (320,139)	\$ (1,610,954)	\$ (206,056)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	INVESTCO V.I. INTERNATIONAL GROWTH FUND	INVESTCO V.I. MID CAP CORE EQUITY FUND	INVESTCO V.I. SMALL CAP EQUITY FUND	INVESTCO V.I. TECHNOLOGY FUND	IVY VIP INTERNATIONAL CORE EQUITY	JANUS HENDERSON VIT BALANCED PORTFOLIO INSTITUTIONAL SHARES
INVESTMENT INCOME:						
Dividends	\$ 258,260	\$ 10,502	\$	\$	\$ 36,175	\$ 334,181
EXPENSES:						
Mortality and expense risk	99,057	15,647	24,145	27,917	14,459	100,099
NET INVESTMENT INCOME (LOSS)	159,203	(5,145)	(24,145)	(27,917)	21,716	234,082
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	310,822	(5,347)	25,452	274,874	39,256	245,845
Realized gain on distributions	87,461	290,629	214,790	171,715	63,254	414,868
Net realized gain (loss) on investments	398,283	285,282	240,242	446,589	102,510	660,713
Change in net unrealized appreciation (depreciation) on investments	(2,746,526)	(527,980)	(634,249)	(499,900)	(656,090)	(890,889)
Net realized and unrealized gain (loss) on investments	(2,348,243)	(242,698)	(394,007)	(53,311)	(553,580)	(230,176)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (2,189,040)	\$ (247,843)	\$ (418,152)	\$ (81,228)	\$ (531,864)	\$ 3,906

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS							
	JANUS HENDERSON VIT BALANCED PORTFOLIO SERVICE SHARES	JANUS HENDERSON VIT FLEXIBLE BOND PORTFOLIO INSTITUTIONAL SHARES	JANUS HENDERSON VIT FLEXIBLE BOND PORTFOLIO SERVICE SHARES	JANUS HENDERSON VIT GLOBAL RESEARCH PORTFOLIO	JANUS HENDERSON VIT GLOBAL TECHNOLOGY PORTFOLIO INSTITUTIONAL SHARES	JANUS HENDERSON VIT GLOBAL TECHNOLOGY PORTFOLIO SERVICE SHARES		
INVESTMENT INCOME:								
Dividends	\$ 1,758,963	\$ 653,486	\$ 1,066,061	\$ 130,859	\$ 2,592	\$ 69,269		
EXPENSES:								
Mortality and expense risk	701,500	143,440	295,344	86,706	1,373	44,461		
NET INVESTMENT INCOME (LOSS)	1,057,463	510,046	770,717	44,153	1,219	24,808		
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:								
Net realized gain (loss) on sale of fund shares	1,880,041	(124,486)	(256,633)	409,349	29,479	768,736		
Realized gain on distributions	2,498,885				7,825	209,129		
Net realized gain (loss) on investments	4,378,926	(124,486)	(256,633)	409,349	37,304	977,865		
Change in net unrealized appreciation (depreciation) on investments	(6,085,594)	(786,024)	(1,404,344)	(1,343,649)	(56,633)	(1,273,455)		
Net realized and unrealized gain (loss) on investments	(1,706,668)	(910,510)	(1,660,977)	(934,300)	(19,329)	(295,590)		
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (649,205)	\$ (400,464)	\$ (890,260)	\$ (890,147)	\$ (18,110)	\$ (270,782)		

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	JANUS HENDERSON VIT OVERSEAS PORTFOLIO INSTITUTIONAL SHARES	JANUS HENDERSON VIT OVERSEAS PORTFOLIO SERVICE SHARES	JANUS HENDERSON VIT RESEARCH PORTFOLIO	JPMORGAN INSURANCE TRUST SMALL CAP CORE PORTFOLIO	LAZARD RETIREMENT EMERGING MARKETS EQUITY PORTFOLIO	LVIP BARON GROWTH OPPORTUNITIES FUND
INVESTMENT INCOME:						
Dividends	\$ 61,139	\$ 28,887	\$ 41,443	\$ 11,947	\$ 268,789	\$
EXPENSES:						
Mortality and expense risk	29,456	14,833	65,887	22,543	111,572	170,729
NET INVESTMENT INCOME (LOSS)	31,683	14,054	(24,444)	(10,596)	157,217	(170,729)
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	(244,368)	(173,454)	277,402	250,262	521,746	1,031,585
Realized gain on distributions			363,354	204,981		939,401
Net realized gain (loss) on investments	(244,368)	(173,454)	640,756	455,243	521,746	1,970,986
Change in net unrealized appreciation (depreciation) on investments	(309,403)	(90,586)	(819,777)	(847,367)	(3,973,373)	(2,640,395)
Net realized and unrealized gain (loss) on investments	(553,771)	(264,040)	(179,021)	(392,124)	(3,451,627)	(669,409)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (522,088)	\$ (249,986)	\$ (203,465)	\$ (402,720)	\$ (3,294,410)	\$ (840,138)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS							
	MFS VIT II INTERNATIONAL VALUE PORTFOLIO	MFS VIT III MID CAP VALUE PORTFOLIO	MFS VIT UTILITIES SERIES	MORGAN STANLEY VIF U.S. REAL ESTATE PORTFOLIO	NEUBERGER BERMAN AMT MID CAP INTRINSIC VALUE PORTFOLIO	NEUBERGER BERMAN AMT SUSTAINABLE EQUITY PORTFOLIO		
INVESTMENT INCOME:	\$ 344,070	\$ 1,761	\$ 45,762	\$ 161,676	\$ 2,631	\$ 1,108		
Dividends								
EXPENSES:								
Mortality and expense risk	266,020	1,228	44,039	47,516	6,789	2,781		
NET INVESTMENT INCOME (LOSS)	78,050	533	1,723	114,160	(4,158)	(1,673)		
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:								
Net realized gain (loss) on sale of fund shares	1,157,959	77	166,530	123,794	(3,258)	71,817		
Realized gain on distributions	427,772	12,669	20,921		45,470	28,836		
Net realized gain (loss) on investments	1,585,731	12,746	187,451	123,794	42,212	100,653		
Change in net unrealized appreciation (depreciation) on investments	(5,700,723)	(58,657)	(192,439)	(709,002)	(207,928)	(115,982)		
Net realized and unrealized gain (loss) on investments	(4,114,992)	(45,911)	(4,988)	(585,208)	(165,716)	(15,329)		
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (4,036,942)	\$ (45,378)	\$ (3,265)	\$ (471,048)	\$ (169,874)	\$ (17,002)		

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

INVESTMENT DIVISIONS									
	NVIT MID CAP INDEX FUND	OPPENHEIMER GLOBAL FUND/VA	OPPENHEIMER INTERNATIONAL GROWTH FUND/VA	OPPENHEIMER MAIN STREET SMALL CAP FUND/VA	PIMCO VIT COMMODITY REALRETURN STRATEGY PORTFOLIO	PIMCO VIT EMERGING MARKETS BOND PORTFOLIO			
INVESTMENT INCOME:									
Dividends	\$ 238,664	\$ 326,654	\$ 137,993	\$ 6,169	\$ 23,984	\$ 15,951			
EXPENSES:									
Mortality and expense risk	160,749	242,454	107,203	14,925	7,028	2,144			
NET INVESTMENT INCOME (LOSS)	77,915	84,200	30,790	(8,756)	16,956	13,807			
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:									
Net realized gain (loss) on sale of fund shares	282,723	1,967,960	270,003	47,908	(11,545)	(2,103)			
Realized gain on distributions	2,060,835	2,309,430	312,269	254,098					
Net realized gain (loss) on investments	2,343,558	4,277,390	582,272	302,006	(11,545)	(2,103)			
Change in net unrealized appreciation (depreciation) on investments	(5,024,381)	(8,682,240)	(4,014,170)	(733,768)	(192,858)	(29,152)			
Net realized and unrealized gain (loss) on investments	(2,680,823)	(4,404,850)	(3,431,898)	(431,762)	(204,403)	(31,255)			
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (2,602,908)	\$ (4,320,650)	\$ (3,401,108)	\$ (440,518)	\$ (187,447)	\$ (17,448)			

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018**

	INVESTMENT DIVISIONS					
	PIMCO VIT HIGH YIELD PORTFOLIO	PIMCO VIT LOW DURATION PORTFOLIO	PIMCO VIT REAL RETURN PORTFOLIO	PIMCO VIT TOTAL RETURN PORTFOLIO	PIONEER BOND VCT PORTFOLIO (1)	PIONEER FUND VCT PORTFOLIO
INVESTMENT INCOME:						
Dividends	\$ 1,547,628	\$ 1,460,835	\$ 51,489	\$ 2,964,092	\$ 1,045	\$ 35,909
EXPENSES:						
Mortality and expense risk	220,011	537,142	11,682	819,127	206	25,762
NET INVESTMENT INCOME (LOSS)	1,327,617	923,693	39,807	2,144,965	839	10,147
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	(282,106)	(574,072)	(10,177)	(1,099,735)	(2)	(259,250)
Realized gain on distributions				1,442,667		790,771
Net realized gain (loss) on investments	(282,106)	(574,072)	(10,177)	342,932	(2)	531,521
Change in net unrealized appreciation (depreciation) on investments	(2,055,602)	(614,277)	(82,573)	(3,891,712)	(900)	(589,009)
Net realized and unrealized gain (loss) on investments	(2,337,708)	(1,188,349)	(92,750)	(3,548,780)	(902)	(57,488)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (1,010,091)	\$ (264,656)	\$ (52,943)	\$ (1,403,815)	\$ (63)	\$ (47,341)
(1) For the period September 11, 2018 to December 31, 2018.						

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	PIONEER MID CAP VALUE VCT PORTFOLIO	PIONEER SELECT MID CAP GROWTH VCT PORTFOLIO	PRUDENTIAL SERIES FUND EQUITY PORTFOLIO	PRUDENTIAL SERIES FUND NATURAL RESOURCES PORTFOLIO	PUTNAM VT EQUITY INCOME FUND	PUTNAM VT GLOBAL ASSET ALLOCATION FUND
INVESTMENT INCOME:						
Dividends	\$ 8,002	\$	\$	\$	\$ 93,870	\$ 22,926
EXPENSES:						
Mortality and expense risk	13,136	53,138	12,665	5,339	94,841	5,996
NET INVESTMENT INCOME (LOSS)	(5,134)	(53,138)	(12,665)	(5,339)	(971)	16,930
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	(19,156)	136,225	72,366	(15,330)	386,300	(9,293)
Realized gain on distributions	146,172	829,959			602,078	85,467
Net realized gain (loss) on investments	127,016	966,184	72,366	(15,330)	988,378	76,174
Change in net unrealized appreciation (depreciation) on investments	(464,994)	(1,462,396)	(146,093)	(128,453)	(2,185,164)	(167,533)
Net realized and unrealized gain (loss) on investments	(337,978)	(496,212)	(73,727)	(143,783)	(1,196,786)	(91,359)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (343,112)	\$ (549,350)	\$ (86,392)	\$ (149,122)	\$ (1,197,757)	\$ (74,429)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	PUTNAM VT GLOBAL HEALTH CARE FUND	PUTNAM VT INCOME FUND	PUTNAM VT INTERNATIONAL EQUITY FUND	PUTNAM VT INTERNATIONAL VALUE FUND	PUTNAM VT MORTGAGE SECURITIES FUND	PUTNAM VT MULTI-CAP CORE FUND
INVESTMENT INCOME:						
Dividends	\$ 49,336	\$ 115,306	\$ 14,931	\$ 16,853	\$ 194,884	\$ 12,343
EXPENSES:						
Mortality and expense risk	36,822	17,172	6,757	4,681	49,980	6,655
NET INVESTMENT INCOME (LOSS)	12,514	98,134	8,174	12,172	144,904	5,688
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	(479,834) 821,867	(78,407)	8,848	9,805	(171,839)	37,961 86,668
Realized gain on distributions						
Net realized gain (loss) on investments	342,033	(78,407)	8,848	9,805	(171,839)	124,629
Change in net unrealized appreciation (depreciation) on investments	(390,863)	(8,784)	(262,714)	(202,333)	(98,535)	(199,821)
Net realized and unrealized gain (loss) on investments	(48,830)	(87,191)	(253,866)	(192,528)	(270,374)	(75,192)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (36,316)	\$ 10,943	\$ (245,692)	\$ (180,356)	\$ (125,470)	\$ (69,504)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	PUTNAM VT SMALL CAP VALUE FUND	ROYCE CAPITAL FUND - SMALL- CAP PORTFOLIO	SCHWAB GOVERNMENT MONEY MARKET PORTFOLIO	SCHWAB MARKETTRACK GROWTH PORTFOLIO II (1)	SCHWAB S&P 500 INDEX PORTFOLIO	SCHWAB VIT BALANCED PORTFOLIO
INVESTMENT INCOME:						
Dividends	\$ 144	\$ 10,652	\$ 1,480,406	\$ 416,941	\$ 5,762,132	\$ 41,513
EXPENSES:						
Mortality and expense risk	207	27,253	684,084	165,520	2,445,138	17,303
NET INVESTMENT INCOME (LOSS)	(63)	(16,601)	796,322	251,421	3,316,994	24,210
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	513	(187,946)		(8,210,577)	23,318,932	4,494
Realized gain on distributions	6,583	43,635		11,946,294	307,797	4,430
Net realized gain (loss) on investments	7,096	(144,311)	0	3,735,717	23,626,729	8,924
Change in net unrealized appreciation (depreciation) on investments	(14,198)	(148,915)		(4,292,929)	(44,516,954)	(283,393)
Net realized and unrealized gain (loss) on investments	(7,102)	(293,226)	0	(557,212)	(20,890,225)	(274,469)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (7,165)	\$ (309,827)	\$ 796,322	\$ (305,791)	\$ (17,573,231)	\$ (250,259)

(1) For the period January 1, 2018 to November 27, 2018.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	SCHWAB VIT BALANCED WITH GROWTH PORTFOLIO	SCHWAB VIT GROWTH PORTFOLIO	T. ROWE PRICE HEALTH SCIENCES PORTFOLIO	T. ROWE PRICE HEALTH SCIENCES PORTFOLIO CLASS II	TEMPLETON FOREIGN VIP FUND	TEMPLETON GLOBAL BOND VIP FUND
INVESTMENT INCOME:						
Dividends	\$ 50,799	\$ 9,054	\$	\$	\$ 222,862	\$
EXPENSES:						
Mortality and expense risk	20,417	7,863	4,094	14,668	57,988	58,075
NET INVESTMENT INCOME (LOSS)	30,382	1,191	(4,094)	(14,668)	164,874	(58,075)
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	1,724	16,254	5,640	31,245	7,345	(53,605)
Realized gain on distributions	4,581	2,098	85,253	126,763		
Net realized gain (loss) on investments	6,305	18,352	90,893	158,008	7,345	(53,605)
Change in net unrealized appreciation (depreciation) on investments	(370,056)	(325,983)	(251,856)	(187,097)	(1,534,513)	224,904
Net realized and unrealized gain (loss) on investments	(363,751)	(307,631)	(160,963)	(29,089)	(1,527,168)	171,299
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (333,369)	\$ (306,440)	\$ (165,057)	\$ (43,757)	\$ (1,362,294)	\$ 113,224

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	THIRD AVENUE VALUE PORTFOLIO	TVST TOUCHSTONE BOND FUND	TVST TOUCHSTONE COMMON STOCK FUND	TVST TOUCHSTONE FOCUSED FUND	TVST TOUCHSTONE SMALL COMPANY FUND	VAN ECK VIP GLOBAL HARD ASSETS FUND
INVESTMENT INCOME:						
Dividends	\$ 30,190	\$ 178,768	\$ 131,314	\$ 18,696	\$	\$
EXPENSES:						
Mortality and expense risk	11,940	56,603	74,554	27,158	45,413	20,950
NET INVESTMENT INCOME (LOSS)	18,250	122,165	56,760	(8,462)	(45,413)	(20,950)
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	83,332	(148,873)	37,546	129,675	110,900	30,303
Realized gain on distributions			5,364,015	80,028	824,813	
Net realized gain (loss) on investments	83,332	(148,873)	5,401,561	209,703	935,713	30,303
Change in net unrealized appreciation (depreciation) on investments	(442,605)	(206,497)	(6,284,521)	(534,710)	(1,575,081)	(962,653)
Net realized and unrealized gain (loss) on investments	(359,273)	(355,370)	(882,960)	(325,007)	(639,368)	(932,350)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (341,023)	\$ (233,205)	\$ (826,200)	\$ (333,469)	\$ (684,781)	\$ (953,300)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS					
	VAN ECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND	VANGUARD VIF CAPITAL GROWTH PORTFOLIO	VANGUARD VIF DIVERSIFIED VALUE PORTFOLIO	VANGUARD VIF MID-CAP INDEX PORTFOLIO	VANGUARD VIF REAL ESTATE INDEX PORTFOLIO	VANGUARD VIF SMALL COMPANY GROWTH PORTFOLIO
INVESTMENT INCOME:						
Dividends	\$ 340,367	\$ 47,578	\$ 101,937	\$ 82,062	\$ 103,931	\$ 10,447
EXPENSES:						
Mortality and expense risk	33,495	31,551	25,301	45,070	18,846	17,817
NET INVESTMENT INCOME (LOSS)	306,872	16,027	76,636	36,992	85,085	(7,370)
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:						
Net realized gain (loss) on sale of fund shares	(247,143)	505,660	14,485	55,605	(95,668)	50,093
Realized gain on distributions		149,326	199,226	333,654	127,439	282,721
Net realized gain (loss) on investments	(247,143)	654,986	213,711	389,259	31,771	332,814
Change in net unrealized appreciation (depreciation) on investments	(381,581)	(887,605)	(731,231)	(1,635,852)	(315,872)	(755,951)
Net realized and unrealized gain (loss) on investments	(628,724)	(232,619)	(517,520)	(1,246,593)	(284,101)	(423,137)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (321,852)	\$ (216,592)	\$ (440,884)	\$ (1,209,601)	\$ (199,016)	\$ (430,507)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018

	INVESTMENT DIVISIONS			
	WELLS FARGO VT DISCOVERY FUND	WELLS FARGO VT OMEGA GROWTH FUND	WELLS FARGO VT OPPORTUNITY FUND	
INVESTMENT INCOME:				
Dividends	\$	\$	\$	11,519
EXPENSES:				
Mortality and expense risk	53,199	11,856		45,622
NET INVESTMENT INCOME (LOSS)	(53,199)	(11,856)		(34,103)
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:				
Net realized gain (loss) on sale of fund shares	(49,011)	81,344		209,426
Realized gain on distributions	937,260	166,415		579,854
Net realized gain (loss) on investments	888,249	247,759		789,280
Change in net unrealized appreciation (depreciation) on investments	(1,338,422)	(284,730)		(1,199,239)
Net realized and unrealized gain (loss) on investments	(450,173)	(36,971)		(409,959)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (503,372)	\$ (48,827)	\$	(444,062)

The accompanying notes are an integral part of these financial statements.

(Concluded)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017**

	INVESTMENT DIVISIONS					
	AB VPS GROWTH AND INCOME PORTFOLIO		AB VPS GROWTH PORTFOLIO		AB VPS INTERNATIONAL GROWTH PORTFOLIO	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 23,858	\$ 60,116	\$ (53,105)	\$ (26,442)	\$ (5,897)	\$ 38,126
Net realized gain (loss) on investments	1,294,942	1,021,747	1,273,391	213,401	220,981	226,825
Change in net unrealized appreciation (depreciation) on investments	(1,839,660)	267,562	(1,087,810)	908,748	(1,801,962)	2,365,960
Increase (decrease) in net assets resulting from operations	(520,860)	1,349,425	132,476	1,095,707	(1,586,878)	2,630,911
CONTRACT TRANSACTIONS:						
Purchase payments received	295,050	74,348	1,865,306	938,642	320	19,458
Transfers for contract benefits and terminations	(307,837)	(459,701)	(402,860)	(159,000)	(506,851)	(622,250)
Net transfers	(585,662)	(427,492)	326,005	740,053	(763,889)	(902,740)
Contract charges	(11,000)	(35)	(35)	(7)	(93)	(93)
Adjustments to net assets allocated to contracts in payout phase	(11,000)	6,442			1,797	5,261
Increase (decrease) in net assets resulting from contract transactions	(609,449)	(806,438)	1,788,451	1,519,688	(1,268,623)	(1,500,364)
Total increase (decrease) in net assets	(1,130,309)	542,987	1,920,927	2,615,395	(2,855,501)	1,130,547
NET ASSETS:						
Beginning of period	8,646,982	8,103,995	5,555,843	2,940,448	9,690,629	8,560,082
End of period	\$ 7,516,673	\$ 8,646,982	\$ 7,476,770	\$ 5,555,843	\$ 6,835,128	\$ 9,690,629
CHANGES IN UNITS OUTSTANDING:						
Units issued	85,821	23,437	265,927	164,069	5,901	48,336
Units redeemed	(106,874)	(65,671)	(177,976)	(61,773)	(80,332)	(151,112)
Net increase (decrease)	(21,053)	(42,234)	87,951	102,296	(74,431)	(102,776)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	AB VPS INTERNATIONAL VALUE PORTFOLIO		AB VPS REAL ESTATE INVESTMENT PORTFOLIO		AB VPS SMALL/MID CAP VALUE PORTFOLIO	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 20,051	\$ 43,937	\$ 206,468	\$ 201,300	\$ (14,697)	\$ (16,800)
Net realized gain (loss) on investments	31,534	23,650	(175,902)	476,317	598,045	157,698
Change in net unrealized appreciation (depreciation) on investments	(700,270)	597,363	(899,858)	372,546	(1,448,334)	567,440
Increase (decrease) in net assets resulting from operations	(648,685)	664,950	(869,292)	1,050,163	(864,986)	708,338
CONTRACT TRANSACTIONS:						
Purchase payments received			90,854	241,556	30,543	197,684
Transfers for contract benefits and terminations	(183,978)	(104,941)	(749,227)	(972,952)	(237,477)	(255,107)
Net transfers	(227,192)	(200,073)	(544,772)	(1,110,525)	(530,545)	(1,366,087)
Contract charges		(22)				(87)
Adjustments to net assets allocated to contracts in payout phase	(1,161)	565	(97,701)	66,296	388	192
Increase (decrease) in net assets resulting from contract transactions	(412,331)	(304,471)	(1,300,846)	(1,775,625)	(737,091)	(1,423,405)
Total increase (decrease) in net assets	(1,061,016)	360,479	(2,170,138)	(725,462)	(1,602,077)	(715,067)
NET ASSETS:						
Beginning of period	3,154,267	2,793,788	18,457,272	19,182,734	6,334,724	7,049,791
End of period	\$ 2,093,251	\$ 3,154,267	\$ 16,287,134	\$ 18,457,272	\$ 4,732,647	\$ 6,334,724
CHANGES IN UNITS OUTSTANDING:						
Units issued	798	3,608	71,622	30,895	30,461	100,439
Units redeemed	(42,895)	(36,058)	(91,507)	(58,524)	(63,384)	(160,328)
Net increase (decrease)	(42,097)	(32,450)	(19,885)	(27,629)	(32,923)	(59,889)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

INVESTMENT DIVISIONS							
	ALGER BALANCED PORTFOLIO		ALGER CAPITAL APPRECIATION PORTFOLIO		ALGER LARGE CAP GROWTH PORTFOLIO		
	2018	2017	2018	2017	2018	2017	
INCREASE (DECREASE) IN NET ASSETS:							
OPERATIONS:							
Net investment income (loss)	\$ 30,812	\$ 19,011	\$ (7,632)	\$ (2,476)	\$ (236,737)	\$ (191,091)	
Net realized gain (loss) on investments	120,813	7,103	421,532	60,940	6,271,243	3,439,680	
Change in net unrealized appreciation (depreciation) on investments	(187,031)	90,854	(524,462)	113,565	(5,998,419)	2,578,805	
Increase (decrease) in net assets resulting from operations	(35,406)	116,968	(110,562)	172,029	36,087	5,827,394	
CONTRACT TRANSACTIONS:							
Purchase payments received			1,003,264	167,866	158,040	759,134	
Transfers for contract benefits and terminations	(15,786)	(12,496)	(94,820)	(22,994)	(1,519,148)	(1,321,563)	
Net transfers	(1)	(23,275)	196,162	154,728	3,196,054	(799,571)	
Contract charges						(1,086)	
Adjustments to net assets allocated to contracts in payout phase	1,124	945			25,658	12,772	
Increase (decrease) in net assets resulting from contract transactions	(14,663)	(34,826)	1,104,606	299,600	1,860,604	(1,350,314)	
Total increase (decrease) in net assets	(50,069)	82,142	994,044	471,629	1,896,691	4,477,080	
NET ASSETS:							
Beginning of period	913,618	831,476	906,951	435,322	25,738,410	21,261,330	
End of period	\$ 863,549	\$ 913,618	\$ 1,900,995	\$ 906,951	\$ 27,635,101	\$ 25,738,410	
CHANGES IN UNITS OUTSTANDING:							
Units issued	189	216	117,183	29,268	224,289	257,780	
Units redeemed	(779)	(1,967)	(39,533)	(3,235)	(204,493)	(288,380)	
Net increase (decrease)	(590)	(1,751)	77,650	26,033	19,796	(30,600)	

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	ALGER MID CAP GROWTH PORTFOLIO			ALPS RED ROCKS LISTED PRIVATE EQUITY PORTFOLIO		
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ (41,637)	\$ (34,666)	\$ 8,378	\$ 3,966	\$ 171,505	\$ 182,421
Net realized gain (loss) on investments	1,226,658	249,169	3,806	2,705	226,216	850,340
Change in net unrealized appreciation (depreciation) on investments	(1,514,894)	903,772	(34,939)	3,110	(1,564,496)	1,609,710
Increase (decrease) in net assets resulting from operations	(329,873)	1,118,275	(22,755)	9,781	(1,166,775)	2,642,471
CONTRACT TRANSACTIONS:						
Purchase payments received	540	540	14,709	62,967	1,811,183	2,522,225
Transfers for contract benefits and terminations	(273,195)	(105,582)	(38,996)	(1,512)	(1,290,792)	(836,001)
Net transfers	(130,289)	165,663	39,587	74,055	1,167,589	435,757
Contract charges		(89)				(248)
Adjustments to net assets allocated to contracts in payout phase	1,420	2,699			1,717	869
Increase (decrease) in net assets resulting from contract transactions	(401,524)	63,231	15,300	135,510	1,689,697	2,122,602
Total increase (decrease) in net assets	(731,397)	1,181,506	(7,455)	145,291	522,922	4,765,073
NET ASSETS:						
Beginning of period	5,044,945	3,863,439	154,159	8,868	23,527,133	18,762,060
End of period	\$ 4,313,548	\$ 5,044,945	\$ 146,704	\$ 154,159	\$ 24,050,055	\$ 23,527,133
CHANGES IN UNITS OUTSTANDING:						
Units issued	32,070	14,972	8,260	12,726	330,476	327,781
Units redeemed	(43,720)	(12,580)	(7,196)	(1,874)	(191,368)	(117,914)
Net increase (decrease)	(11,650)	2,392	1,064	10,852	139,108	209,867

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS							
	AMERICAN CENTURY INVESTMENTS VP INCOME & GROWTH FUND		AMERICAN CENTURY INVESTMENTS VP INTERNATIONAL FUND		AMERICAN CENTURY INVESTMENTS VP MID CAP VALUE FUND		AMERICAN CENTURY INVESTMENTS VP 2017	
	2018	2017	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:								
OPERATIONS:								
Net investment income (loss)	\$ 91,891	\$ 109,177	\$ 38,962	\$ 3,047	\$ 63,543	\$ 78,459		
Net realized gain (loss) on investments	594,590	1,036,606	785,048	115,428	1,094,525	723,639		
Change in net unrealized appreciation (depreciation) on investments	(1,256,327)	63,331	(1,971,853)	1,328,144	(2,708,823)	366,384		
Increase (decrease) in net assets resulting from operations	(569,846)	1,209,114	(1,147,843)	1,446,619	(1,550,755)	1,168,482		
CONTRACT TRANSACTIONS:								
Purchase payments received	859,586	272,560	516,424	406,838	309,435	653,988		
Transfers for contract benefits and terminations	(250,457)	(342,778)	(531,262)	(219,695)	(512,255)	(455,769)		
Net transfers	(394,342)	(290,753)	18,253	564,152	(427,050)	(797,833)		
Contract charges			(127)	(127)		(90)		
Adjustments to net assets allocated to contracts in payout phase	259	(649)	1,256	1,450	4,510	(1,577)		
Increase (decrease) in net assets resulting from contract transactions	215,046	(361,620)	4,671	752,618	(625,360)	(601,281)		
Total increase (decrease) in net assets	(354,800)	847,494	(1,143,172)	2,199,237	(2,176,115)	567,201		
NET ASSETS:								
Beginning of period	7,099,751	6,252,257	6,927,903	4,728,666	12,117,808	11,550,607		
End of period	\$ 6,744,951	\$ 7,099,751	\$ 5,784,731	\$ 6,927,903	\$ 9,941,693	\$ 12,117,808		
CHANGES IN UNITS OUTSTANDING:								
Units issued	80,841	144,959	128,315	108,128	71,347	111,569		
Units redeemed	(56,412)	(163,232)	(115,675)	(57,644)	(84,135)	(114,826)		
Net increase (decrease)	24,429	(18,273)	12,640	50,484	(12,788)	(3,257)		

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

INVESTMENT DIVISIONS						
	AMERICAN CENTURY INVESTMENTS VP VALUE FUND		AMERICAN FUNDS IS GLOBAL GROWTH FUND		AMERICAN FUNDS IS GROWTH- INCOME FUND	
	2018	2017	2018	2017	2018	
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 224,502	\$ 241,578	\$ 7,185	\$ 4,235	\$ 14,363	
Net realized gain (loss) on investments	1,907,709	2,347,305	94,753	28,119	(16,117)	
Change in net unrealized appreciation (depreciation) on investments	(4,478,653)	(603,843)	(254,873)	240,908	(168,353)	
Increase (decrease) in net assets resulting from operations	(2,346,442)	1,985,040	(152,935)	273,262	(170,107)	
CONTRACT TRANSACTIONS:						
Purchase payments received	440,684	380,772	416,988	216,240	1,551,433	
Transfers for contract benefits and terminations	(871,828)	(1,623,774)	(25,103)	(82,087)	(9,959)	
Net transfers	(2,017,276)	(2,803,089)	(24,124)	70,383	12,334	
Contract charges		(176)				
Adjustments to net assets allocated to contracts in payout phase	14,116	(9,558)				
Increase (decrease) in net assets resulting from contract transactions	(2,434,304)	(4,055,825)	367,761	204,536	1,553,808	
Total increase (decrease) in net assets	(4,780,746)	(2,070,785)	214,826	477,798	1,383,701	
NET ASSETS:						
Beginning of period	26,602,616	28,673,401	1,232,707	754,909	0	
End of period	\$ 21,821,870	\$ 26,602,616	\$ 1,447,533	\$ 1,232,707	\$ 1,383,701	
CHANGES IN UNITS OUTSTANDING:						
Units issued	122,117	109,401	33,179	29,275	161,772	
Units redeemed	(199,620)	(260,358)	(7,740)	(12,244)	(15,769)	
Net increase (decrease)	(77,503)	(150,957)	25,439	17,031	146,003	

(1) For the period June 13, 2018 to December 31, 2018.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	AMERICAN FUNDS IS INTERNATIONAL FUND		AMERICAN FUNDS IS NEW WORLD FUND		BLACKROCK GLOBAL ALLOCATION VI FUND	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 20,287	\$ 4,838	\$ 11,933	\$ 5,134	\$ 32,948	\$ 48,533
Net realized gain (loss) on investments	46,618	4,333	112,769	11,869	371,761	75,550
Change in net unrealized appreciation (depreciation) on investments	(260,316)	46,929	(538,077)	122,371	(1,123,748)	579,334
Increase (decrease) in net assets resulting from operations	(193,411)	56,100	(413,375)	139,374	(719,039)	703,417
CONTRACT TRANSACTIONS:						
Purchase payments received	802,475	154,753	2,051,716	684,288	982,205	1,265,932
Transfers for contract benefits and terminations	(62,593)	(81,140)	(81,140)	(44,657)	(191,086)	(365,398)
Net transfers	293,125	415,709	157,238	47,177	1,035,815	742,404
Contract charges						
Adjustments to net assets allocated to contracts in payout phase					(1,536)	2,198
Increase (decrease) in net assets resulting from contract transactions	1,033,007	570,462	2,127,814	686,808	1,825,398	1,645,136
Total increase (decrease) in net assets	839,596	626,562	1,714,439	826,182	1,106,359	2,348,553
NET ASSETS:						
Beginning of period	626,562	0	1,150,196	324,014	7,292,933	4,944,380
End of period	\$ 1,466,158	\$ 626,562	\$ 2,864,635	\$ 1,150,196	\$ 8,399,292	\$ 7,292,933
CHANGES IN UNITS OUTSTANDING:						
Units issued	100,624	54,054	189,529	60,631	238,121	207,317
Units redeemed	(8,265)		(24,549)	(5,615)	(79,100)	(59,374)
Net increase (decrease)	92,359	54,054	164,980	55,016	159,021	147,943

(1) For the period May 17, 2017 to December 31, 2017.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS							
	CLEARBRIDGE VARIABLE LARGE CAP GROWTH PORTFOLIO		CLEARBRIDGE VARIABLE MID CAP PORTFOLIO		CLEARBRIDGE VARIABLE SMALL CAP GROWTH PORTFOLIO			
	2018	2017	2018	2017	2018	2017		
	(1)							
INCREASE (DECREASE) IN NET ASSETS:								
OPERATIONS:								
Net investment income (loss)	\$ (176)	\$ (310)	\$ (163)	\$ (11,977)	\$ (4,190)			
Net realized gain (loss) on investments	17,923	4,045	12,405	444,371	21,818			
Change in net unrealized appreciation (depreciation) on investments	(65,007)	(30,118)	2,169	(539,543)	164,785			
Increase (decrease) in net assets resulting from operations	(47,260)	(26,383)	14,411	(107,149)	182,413			
CONTRACT TRANSACTIONS:								
Purchase payments received	627,015	21,725	80,512	513,585	108,011			
Transfers for contract benefits and terminations	(91,077)	1,542	(25,858)	(14,421)	25,301			
Net transfers				740,918				
Contract charges								
Adjustments to net assets allocated to contracts in payout phase								
Increase (decrease) in net assets resulting from contract transactions	535,938	23,267	54,654	1,240,082	133,312			
Total increase (decrease) in net assets	488,678	(3,116)	69,065	1,132,933	315,725			
NET ASSETS:								
Beginning of period	0	179,804	110,739	1,027,051	711,326			
End of period	\$ 488,678	\$ 176,688	\$ 179,804	\$ 2,159,984	\$ 1,027,051			
CHANGES IN UNITS OUTSTANDING:								
Units issued	59,441	2,136	6,806	152,752	11,970			
Units redeemed	(8,279)	(236)	(2,306)	(66,724)	(115)			
Net increase (decrease)	51,162	1,900	4,500	86,028	11,855			

(1) For the period June 6, 2018 to December 31, 2018.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	COLUMBIA VARIABLE PORTFOLIO - LARGE CAP GROWTH FUND		COLUMBIA VARIABLE PORTFOLIO - SELIGMAN GLOBAL TECHNOLOGY FUND		COLUMBIA VARIABLE PORTFOLIO - SMALL CAP VALUE FUND	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ (19,058)	\$ (12,799)	\$ (108,940)	\$ (97,136)	\$ (11,307)	\$ (13,703)
Net realized gain (loss) on investments	165,551	71,779	1,215,033	2,933,096	389,565	391,560
Change in net unrealized appreciation (depreciation) on investments	(300,002)	354,648	(1,972,794)	474,732	(716,942)	(40,570)
Increase (decrease) in net assets resulting from operations	(153,509)	413,628	(866,701)	3,310,692	(338,684)	337,287
CONTRACT TRANSACTIONS:						
Purchase payments received	264,562	55,602	318,780	177,890	3,077	113,930
Transfers for contract benefits and terminations	(91,735)	(64,247)	(678,445)	(496,418)	(73,170)	(162,741)
Net transfers	351,074	(4,142)	(4,231,815)	3,333,735	(1,266,652)	(389,275)
Contract charges		(7)		(76)		(3)
Adjustments to net assets allocated to contracts in payout phase	(3,130)		(5,714)	3,703	337	203
Increase (decrease) in net assets resulting from contract transactions	520,771	(12,794)	(4,597,194)	3,018,834	(1,336,408)	(437,886)
Total increase (decrease) in net assets	367,262	400,834	(5,463,895)	6,329,526	(1,675,092)	(100,599)
NET ASSETS:						
Beginning of period	1,940,012	1,539,178	15,281,704	8,952,178	3,148,101	3,248,700
End of period	\$ 2,307,274	\$ 1,940,012	\$ 9,817,809	\$ 15,281,704	\$ 1,473,009	\$ 3,148,101
CHANGES IN UNITS OUTSTANDING:						
Units issued	102,291	25,904	151,419	241,771	16,697	75,645
Units redeemed	(66,487)	(26,924)	(321,054)	(108,851)	(62,821)	(91,440)
Net increase (decrease)	35,804	(1,020)	(169,635)	132,920	(46,124)	(15,795)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	DELAWARE VIP EMERGING MARKETS SERIES		DELAWARE VIP INTERNATIONAL VALUE EQUITY SERIES		DELAWARE VIP SMALL CAP VALUE SERIES	
	2018	2017	2018	(1)	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 129,364	\$ (7,169)	\$ (305)	\$ 24,867	\$ 27,461	
Net realized gain (loss) on investments	456,232	151,954	(161)	2,128,944	1,728,032	
Change in net unrealized appreciation (depreciation) on investments	(1,344,948)	694,534	(17,370)	(5,884,257)	665,438	
Increase (decrease) in net assets resulting from operations	(759,352)	839,319	(17,836)	(3,730,446)	2,420,931	
CONTRACT TRANSACTIONS:						
Purchase payments received	390,092	374,760		422,734	417,820	
Transfers for contract benefits and terminations	(230,363)	(220,066)		(1,218,936)	(1,153,561)	
Net transfers	(735,879)	2,325,878	253,474	(1,342,359)	(419,374)	
Contract charges				(156)	(156)	
Adjustments to net assets allocated to contracts in payout phase				(658)	7,012	
Increase (decrease) in net assets resulting from contract transactions	(576,150)	2,480,572	253,474	(2,139,219)	(1,148,259)	
Total increase (decrease) in net assets	(1,335,502)	3,319,891	235,638	(5,869,665)	1,272,672	
NET ASSETS:						
Beginning of period	4,895,503	1,575,612	0	23,739,519	22,466,847	
End of period	\$ 3,560,001	\$ 4,895,503	\$ 235,638	\$ 17,869,854	\$ 23,739,519	
CHANGES IN UNITS OUTSTANDING:						
Units issued	185,040	270,529	31,659	54,670	85,287	
Units redeemed	(235,108)	(52,289)	(3,115)	(90,869)	(93,331)	
Net increase (decrease)	(50,068)	218,240	28,544	(36,199)	(8,044)	

(1) For the period September 18, 2018 to December 31, 2018.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	DELAWARE VIP SMID CAP CORE SERIES		DELAWARE VIP VALUE SERIES		DIMENSIONAL VA US TARGETED VALUE PORTFOLIO	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ (52,380)	\$ (35,731)	\$ 1,810	\$ (99)	\$ 7,536	\$ 13,556
Net realized gain (loss) on investments	2,551,775	594,929	13,259	5	324,196	151,724
Change in net unrealized appreciation (depreciation) on investments	(3,778,188)	875,084	(38,279)	2,793	(644,074)	27,242
Increase (decrease) in net assets resulting from operations	(1,278,793)	1,434,282	(23,210)	2,699	(312,342)	192,522
CONTRACT TRANSACTIONS:						
Purchase payments received	1,000,582	221,272	199,730	47,800	394,969	862,611
Transfers for contract benefits and terminations	(420,999)	(293,407)	(612,201)	88	(105,420)	(100,885)
Net transfers	185,631	(612,201)	210,395		(389,241)	(213,315)
Contract charges	(7,302)	2,120				
Adjustments to net assets allocated to contracts in payout phase						
Increase (decrease) in net assets resulting from contract transactions	757,912	(682,354)	410,125	47,888	(99,692)	548,411
Total increase (decrease) in net assets	(520,881)	751,928	386,915	50,587	(412,034)	740,933
NET ASSETS:						
Beginning of period	9,097,245	8,345,317	50,587	0	2,131,980	1,391,047
End of period	\$ 8,576,364	\$ 9,097,245	\$ 437,502	\$ 50,587	\$ 1,719,946	\$ 2,131,980
CHANGES IN UNITS OUTSTANDING:						
Units issued	140,578	54,715	41,511	4,583	119,017	83,836
Units redeemed	(85,120)	(74,277)	(5,124)		(124,815)	(37,531)
Net increase (decrease)	55,458	(19,562)	36,387	4,583	(5,798)	46,305

(1) For the period May 16, 2017 to December 31, 2017.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	DREYFUS IP MIDCAP STOCK PORTFOLIO		DREYFUS VIF APPRECIATION PORTFOLIO		DREYFUS VIF GROWTH AND INCOME PORTFOLIO	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ (2,087)	\$ 11,645	\$ 43,499	\$ 53,515	\$ 3,776	\$ 1,794
Net realized gain (loss) on investments	311,237	182,813	1,064,903	1,134,785	538,775	283,897
Change in net unrealized appreciation (depreciation) on investments	(866,222)	183,856	(1,760,677)	968,502	(793,952)	527,819
Increase (decrease) in net assets resulting from operations	(557,072)	378,314	(652,275)	2,156,802	(251,401)	813,510
CONTRACT TRANSACTIONS:						
Purchase payments received	807,266	161,387	1,510	6,058	65,246	203,525
Transfers for contract benefits and terminations	(150,584)	(114,655)	(783,923)	(323,031)	(176,033)	(247,766)
Net transfers	(295,027)	107,397	(580,441)	(725,184)	(294,437)	452,297
Contract charges		(188)		(208)		(65)
Adjustments to net assets allocated to contracts in payout phase	445	(188)	4,648	(6,934)	5,630	7
Increase (decrease) in net assets resulting from contract transactions	362,100	153,941	(1,358,206)	(1,049,299)	(399,594)	407,998
Total increase (decrease) in net assets	(194,972)	532,255	(2,010,481)	1,107,503	(650,995)	1,221,508
NET ASSETS:						
Beginning of period	2,917,406	2,385,151	9,774,335	8,666,832	5,279,890	4,058,382
End of period	\$ 2,722,434	\$ 2,917,406	\$ 7,763,854	\$ 9,774,335	\$ 4,628,895	\$ 5,279,890
CHANGES IN UNITS OUTSTANDING:						
Units issued	89,611	51,746	3,325	4,219	20,448	69,964
Units redeemed	(59,112)	(35,121)	(59,558)	(51,838)	(39,051)	(31,920)
Net increase (decrease)	30,499	16,625	(56,233)	(47,619)	(18,603)	38,044

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	DREYFUS VIF OPPORTUNISTIC SMALL CAP PORTFOLIO		DWS CAPITAL GROWTH VIP		DWS CORE EQUITY VIP	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ (4,934)	\$ (4,539)	\$ (5,040)	\$ (3,788)	\$ 121,837	\$ 51,605
Net realized gain (loss) on investments	123,556	141,480	2,688,520	2,331,433	3,330,053	1,306,549
Change in net unrealized appreciation (depreciation) on investments	(255,637)	324	(3,298,291)	2,405,533	(4,126,379)	603,996
Increase (decrease) in net assets resulting from operations	(137,015)	137,265	(614,811)	4,733,178	(674,489)	1,962,150
CONTRACT TRANSACTIONS:						
Purchase payments received			1,424,073	395,555	280,763	334,393
Transfers for contract benefits and terminations	(9,004)	(25,050)	(1,127,303)	(1,261,279)	(457,426)	(315,223)
Net transfers	(1)	963	(144,892)	1,063,082	552,361	(514,986)
Contract charges		(14)		(88)		(44)
Adjustments to net assets allocated to contracts in payout phase			83,773	(595)	2,095	1,523
Increase (decrease) in net assets resulting from contract transactions	(9,005)	(24,101)	235,651	196,675	377,793	(494,337)
Total increase (decrease) in net assets	(146,020)	113,164	(379,160)	4,929,853	(296,696)	1,467,813
NET ASSETS:						
Beginning of period	707,324	594,160	23,203,597	18,273,744	11,571,679	10,103,866
End of period	\$ 561,304	\$ 707,324	\$ 22,824,437	\$ 23,203,597	\$ 11,274,983	\$ 11,571,679
CHANGES IN UNITS OUTSTANDING:						
Units issued		14,806	193,714	232,341	146,807	87,467
Units redeemed	(377)	(15,973)	(168,679)	(181,036)	(106,401)	(95,760)
Net increase (decrease)	(377)	(1,167)	25,035	51,305	40,406	(8,293)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	DWS CROCI® U.S. VIP		DWS GLOBAL SMALL CAP VIP		DWS SMALL CAP INDEX VIP	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 122,332	\$ 62,310	\$ (4,680)	\$ (5,885)	\$ 51,465	\$ 48,579
Net realized gain (loss) on investments	536,088	95,422	121,158	52,707	2,072,848	1,621,817
Change in net unrealized appreciation (depreciation) on investments	(1,394,776)	1,347,804	(386,162)	105,673	(5,180,923)	1,131,286
Increase (decrease) in net assets resulting from operations	(736,356)	1,505,536	(269,684)	152,495	(3,056,610)	2,801,682
CONTRACT TRANSACTIONS:						
Purchase payments received	7,270	195,735	326,457	356,146	2,620,116	1,705,502
Transfers for contract benefits and terminations	(523,871)	(777,059)	(92,924)	(79,314)	(1,629,730)	(1,687,851)
Net transfers	(639,769)	(621,065)	(103,064)	110,822	326,938	367,872
Contract charges		(52)			(194)	(194)
Adjustments to net assets allocated to contracts in payout phase	5,818	677			11,290	27,004
Increase (decrease) in net assets resulting from contract transactions	(1,150,552)	(1,201,764)	130,469	387,654	1,328,614	412,333
Total increase (decrease) in net assets	(1,886,908)	303,772	(139,215)	540,149	(1,727,996)	3,214,015
NET ASSETS:						
Beginning of period	7,661,035	7,357,263	1,139,489	599,340	23,816,649	20,602,634
End of period	\$ 5,774,127	\$ 7,661,035	\$ 1,000,274	\$ 1,139,489	\$ 22,088,653	\$ 23,816,649
CHANGES IN UNITS OUTSTANDING:						
Units issued	1,553	35,888	48,174	47,665	298,085	268,616
Units redeemed	(65,717)	(102,329)	(37,218)	(10,876)	(166,160)	(167,975)
Net increase (decrease)	(64,164)	(66,441)	10,956	36,789	131,925	100,641

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017**

	INVESTMENT DIVISIONS					
	DWS SMALL MID CAP GROWTH VIP		DWS SMALL MID CAP VALUE VIP		FEDERATED FUND FOR U.S. GOVERNMENT SECURITIES II	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ (11,187)	\$ (7,353)	\$ 26,801	\$ 781	\$ 516,045	\$ 613,254
Net realized gain (loss) on investments	417,399	34,795	780,598	285,871	(398,990)	(468,287)
Change in net unrealized appreciation (depreciation) on investments	(665,246)	215,365	(1,481,414)	146,120	(268,540)	304,624
Increase (decrease) in net assets resulting from operations	(259,034)	242,807	(674,015)	432,772	(151,485)	449,591
CONTRACT TRANSACTIONS:						
Purchase payments received	388,904	27,319	12,473	260,728	655,991	606,777
Transfers for contract benefits and terminations	(41,353)	(31,642)	(361,135)	(385,631)	(2,943,914)	(4,955,288)
Net transfers	(32,851)	75,412	(295,717)	(1,081,970)	(458,631)	(1,841,030)
Contract charges				(41)		(534)
Adjustments to net assets allocated to contracts in payout phase	87	1,538	327	48	28,227	(28,202)
Increase (decrease) in net assets resulting from contract transactions	314,787	72,627	(644,052)	(1,206,866)	(2,718,327)	(6,218,277)
Total increase (decrease) in net assets	55,753	315,434	(1,318,067)	(774,094)	(2,869,812)	(5,768,686)
NET ASSETS:						
Beginning of period	1,468,296	1,152,862	4,625,008	5,399,102	32,456,552	38,225,238
End of period	\$ 1,524,049	\$ 1,468,296	\$ 3,306,941	\$ 4,625,008	\$ 29,586,740	\$ 32,456,552
CHANGES IN UNITS OUTSTANDING:						
Units issued	42,296	15,010	4,356	34,033	222,984	216,787
Units redeemed	(18,900)	(8,169)	(36,698)	(92,758)	(398,998)	(641,343)
Net increase (decrease)	23,396	6,841	(32,342)	(58,725)	(176,014)	(424,556)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017**

	INVESTMENT DIVISIONS					
	FEDERATED MANAGED TAIL RISK FUND II		FEDERATED MANAGED VOLATILITY FUND II		FRANKLIN SMALL CAP VALUE VIP FUND	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:	(1)					
OPERATIONS:						
Net investment income (loss)	\$ 50,467	\$ 14,561	\$ 8,326	\$ 20,107	\$ 7,302	\$ (10,690)
Net realized gain (loss) on investments	(387,603)	(107,461)	20,426	11,868	737,324	294,181
Change in net unrealized appreciation (depreciation) on investments	321,938	266,885	(238,972)	70,944	(1,360,615)	182,723
Increase (decrease) in net assets resulting from operations	(15,198)	173,985	(210,220)	102,919	(615,989)	466,214
CONTRACT TRANSACTIONS:						
Purchase payments received					643,799	185,681
Transfers for contract benefits and terminations	(61,589)	(161,819)	(129,975)	(33,085)	(326,385)	(460,192)
Net transfers	(1,696,631)	(77,491)	1,674,249	(32,415)	(845,219)	(1,117,183)
Contract charges		(193)		(84)		(32)
Adjustments to net assets allocated to contracts in payout phase	(6,885)	1,698	10,851	(20,538)	416	165
Increase (decrease) in net assets resulting from contract transactions	(1,765,105)	(237,805)	1,555,125	(86,122)	(527,389)	(1,391,561)
Total increase (decrease) in net assets	(1,780,303)	(63,820)	1,344,905	16,797	(1,143,378)	(925,347)
NET ASSETS:						
Beginning of period	1,780,303	1,844,123	658,318	641,521	5,044,951	5,970,298
End of period	\$ 0	\$ 1,780,303	\$ 2,003,223	\$ 658,318	\$ 3,901,573	\$ 5,044,951
CHANGES IN UNITS OUTSTANDING:						
Units issued	1,384	331	67,061	207	63,697	147,133
Units redeemed	(97,982)	(14,335)	(5,895)	(2,843)	(75,646)	(216,116)
Net increase (decrease)	(96,598)	(14,004)	61,166	(2,636)	(11,949)	(68,983)

(1) For the period January 1, 2018 to August 20, 2018.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS							
	GOLDMAN SACHS VIT MULTI-STRATEGY ALTERNATIVES PORTFOLIO		GREAT-WEST AGGRESSIVE PROFILE FUND		GREAT-WEST ARIEL MID CAP VALUE FUND		GREAT-WEST BOND INDEX FUND	
	2018	2017	2018	(1)	2018	2017	2018	(2)
INCREASE (DECREASE) IN NET ASSETS:								
OPERATIONS:								
Net investment income (loss)	\$ 4,034	\$ 1,805	\$ 524	\$	(69)	\$ 4,272	\$ 3,105	
Net realized gain (loss) on investments	(213)	12	3,289		1,170	18,650	57	
Change in net unrealized appreciation (depreciation) on investments	(16,578)	(166)	(7,603)		(36,867)	(731)	16,051	
Increase (decrease) in net assets resulting from operations	(12,757)	1,651	(3,790)		(35,766)	22,191	19,213	
CONTRACT TRANSACTIONS:								
Purchase payments received	102,921	62,018	37,200			143,251	841,070	
Transfers for contract benefits and terminations	(790)	5,928	(1)		(18,551)	84,022	604,351	(90)
Contract charges								
Adjustments to net assets allocated to contracts in payout phase								
Increase (decrease) in net assets resulting from contract transactions	102,131	67,946	37,199		(18,551)	227,273	1,445,331	
Total increase (decrease) in net assets	89,374	69,597	33,409		(54,317)	249,464	1,464,544	
NET ASSETS:								
Beginning of period	93,623	24,026	0		258,145	8,681	0	
End of period	\$ 182,997	\$ 93,623	\$ 33,409	\$	\$ 203,828	\$ 258,145	\$ 1,464,544	
CHANGES IN UNITS OUTSTANDING:								
Units issued	10,723	6,431	3,717		383	21,849	153,837	
Units redeemed	(930)				(1,989)		(9,735)	
Net increase (decrease)	9,793	6,431	3,717		(1,606)	21,849	144,102	

(1) For the period August 21, 2018 to December 31, 2018.

(2) For the period June 12, 2018 to December 31, 2018.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	GREAT-WEST CONSERVATIVE PROFILE FUND	GREAT-WEST INVESCO SMALL CAP VALUE FUND	GREAT-WEST LIFETIME 2015 FUND	GREAT-WEST LIFETIME 2020 FUND	GREAT-WEST LIFETIME 2025 FUND	
	2018	2018	2017	2018	2018	2018
INCREASE (DECREASE) IN NET ASSETS:	(1)	(2)	(3)	(4)	(1)	
OPERATIONS:						
Net investment income (loss)	\$ 37,907	\$ 4,057	\$ (41)	\$ 65	\$ 99,039	\$ 5,505
Net realized gain (loss) on investments	41,180	5,248	4,663	181	142,366	21,557
Change in net unrealized appreciation (depreciation) on investments	(160,464)	(39,972)	(1,458)	(594)	(632,559)	(57,397)
Increase (decrease) in net assets resulting from operations	(81,377)	(30,667)	3,164	(348)	(391,154)	(30,335)
CONTRACT TRANSACTIONS:						
Purchase payments received	1,936,044	68,881	51,107	5,181	5,594,001	359,826
Transfers for contract benefits and terminations	(35,796)				(42,073)	(42,073)
Net transfers	356,179	48,154	9,111		269,322	106,355
Contract charges	(3,619)					
Adjustments to net assets allocated to contracts in payout phase						
Increase (decrease) in net assets resulting from contract transactions	2,252,808	117,035	60,218	5,181	5,863,323	424,108
Total increase (decrease) in net assets	2,171,431	86,368	63,382	4,833	5,472,169	393,773
NET ASSETS:						
Beginning of period	0	63,382	0	0	0	0
End of period	\$ 2,171,431	\$ 149,750	\$ 63,382	\$ 4,833	\$ 5,472,169	\$ 393,773
CHANGES IN UNITS OUTSTANDING:						
Units issued	258,021	10,303	4,940	504	578,902	45,776
Units redeemed	(34,317)	(1,730)	(70)		(4,375)	(4,106)
Net increase (decrease)	223,704	8,573	4,870	504	574,527	41,670

- (1) For the period May 24, 2018 to December 31, 2018.
(2) For the period May 23, 2017 to December 31, 2017.
(3) For the period August 28, 2018 to December 31, 2018.
(4) For the period July 25, 2018 to December 31, 2018.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	GREAT-WEST LIFETIME 2030 FUND 2018	GREAT-WEST LIFETIME 2035 FUND 2018	GREAT-WEST LIFETIME 2050 FUND 2018	GREAT-WEST LIFETIME 2055 FUND 2018	GREAT-WEST MID CAP VALUE FUND 2018	2017
INCREASE (DECREASE) IN NET ASSETS:	(1)	(2)	(3)	(3)	(3)	(4)
OPERATIONS:						
Net investment income (loss)	\$ 1,157	\$ 825	\$ 918	\$ 226	\$ 10,674	\$ 9,088
Net realized gain (loss) on investments	1,335	5,553	903	571	1,164	5,366
Change in net unrealized appreciation (depreciation) on investments	(6,799)	(14,030)	(2,895)	(1,233)	(46,865)	(6,181)
Increase (decrease) in net assets resulting from operations	(4,307)	(7,652)	(1,074)	(436)	(35,027)	8,273
CONTRACT TRANSACTIONS:						
Purchase payments received	70,946	74,520	43,551	17,421	152,511	129,707
Transfers for contract benefits and terminations	1		(1)		(13,284)	(15,531)
Net transfers					(7,195)	17,444
Contract charges						
Adjustments to net assets allocated to contracts in payout phase						
Increase (decrease) in net assets resulting from contract transactions	70,947	74,520	43,550	17,421	132,032	131,620
Total increase (decrease) in net assets	66,640	66,868	42,476	16,985	97,005	139,893
NET ASSETS:						
Beginning of period	0	0	0	0	139,893	0
End of period	\$ 66,640	\$ 66,868	\$ 42,476	\$ 16,985	\$ 236,898	\$ 139,893
CHANGES IN UNITS OUTSTANDING:						
Units issued	7,139	7,256	4,699	1,882	14,866	11,730
Units redeemed	0				(4,944)	(1,216)
Net increase (decrease)	7,139	7,256	4,699	1,882	9,922	10,514

- (1) For the period October 17, 2018 to December 31, 2018.
(2) For the period September 7, 2018 to December 31, 2018.
(3) For the period December 17, 2018 to December 31, 2018.
(4) For the period May 23, 2017 to December 31, 2017.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS				
	GREAT-WEST MODERATE PROFILE FUND	GREAT-WEST MODERATELY AGGRESSIVE PROFILE FUND	GREAT-WEST MODERATELY CONSERVATIVE PROFILE FUND	GREAT-WEST MULTI-SECTOR BOND FUND	
	2018	2018	2018	2018	2017
INCREASE (DECREASE) IN NET ASSETS:	(1)	(2)	(3)		
OPERATIONS:					
Net investment income (loss)	\$ 48,015	\$ 4,084	\$ 3,849	\$ 72,161	\$ 17,008
Net realized gain (loss) on investments	120,580	8,316	2,489	20,868	10,236
Change in net unrealized appreciation (depreciation) on investments	(322,096)	(31,933)	(18,552)	(243,860)	27,560
Increase (decrease) in net assets resulting from operations	(153,501)	(19,533)	(12,214)	(150,831)	54,804
CONTRACT TRANSACTIONS:					
Purchase payments received	2,592,893	279,211	120,593	1,322,993	1,781,527
Transfers for contract benefits and terminations	(10,202)	(8,299)	(1,811)	(24,444)	(6,268)
Net transfers	631,437	(29,691)	116,898	332,416	596,318
Contract charges	(1,546)		(383)		
Adjustments to net assets allocated to contracts in payout phase					
Increase (decrease) in net assets resulting from contract transactions	3,212,582	241,221	235,297	1,630,965	2,371,577
Total increase (decrease) in net assets	3,059,081	221,688	223,083	1,480,134	2,426,381
NET ASSETS:					
Beginning of period	0	0	0	2,735,224	308,843
End of period	\$ 3,059,081	\$ 221,688	\$ 223,083	\$ 4,215,358	\$ 2,735,224
CHANGES IN UNITS OUTSTANDING:					
Units issued	331,958	27,853	33,091	169,882	248,156
Units redeemed	(6,338)	(3,911)	(9,717)	(20,275)	(28,655)
Net increase (decrease)	325,620	23,942	23,374	149,607	219,501

(1) For the period August 8, 2018 to December 31, 2018.

(2) For the period July 17, 2018 to December 31, 2018.

(3) For the period July 10, 2018 to December 31, 2018.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	GREAT-WEST SECURE FOUNDATION® BALANCED FUND		GREAT-WEST T. ROWE PRICE MID CAP GROWTH FUND		INVESCO V.I. COMSTOCK FUND	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 2,354,937	\$ 2,085,823	\$ (3,041)	\$ 58	\$ 58,201	\$ 77,357
Net realized gain (loss) on investments	7,726,672	3,921,324	55,193	5,109	823,847	447,219
Change in net unrealized appreciation (depreciation) on investments	(20,561,404)	11,803,966	(157,521)	2,304	(1,628,765)	357,360
Increase (decrease) in net assets resulting from operations	(10,479,795)	17,811,113	(105,369)	7,471	(746,717)	881,936
CONTRACT TRANSACTIONS:						
Purchase payments received	19,399,726	28,194,171	830,193	75,870	924,037	517,819
Transfers for contract benefits and terminations	(9,938,487)	(11,650,544)	(471,991)	(784,372)	(471,991)	(784,372)
Net transfers	(3,366,316)	4,435,838	144,851	19,034	(676,042)	(182,689)
Contract charges	(2,119,005)	(1,469,924)				(41)
Adjustments to net assets allocated to contracts in payout phase	113,002	(114,332)			(2,526)	4,527
Increase (decrease) in net assets resulting from contract transactions	4,088,920	19,395,209	975,044	94,904	(226,522)	(444,756)
Total increase (decrease) in net assets	(6,390,875)	37,206,322	869,675	102,375	(973,239)	437,180
NET ASSETS:						
Beginning of period	171,609,214	134,402,892	102,375	0	6,120,765	5,683,585
End of period	\$ 165,218,339	\$ 171,609,214	\$ 972,050	\$ 102,375	\$ 5,147,526	\$ 6,120,765
CHANGES IN UNITS OUTSTANDING:						
Units issued	1,641,322	2,963,585	87,734	9,150	136,128	77,467
Units redeemed	(1,340,016)	(1,266,429)	(7,885)	(61)	(145,266)	(84,212)
Net increase (decrease)	301,306	1,697,156	79,849	9,089	(9,138)	(6,745)

(1) For the period May 31, 2017 to December 31, 2017.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017**

	INVESTMENT DIVISIONS					
	INVESCO V.I. CORE EQUITY FUND		INVESCO V.I. GROWTH & INCOME FUND		INVESCO V.I. HIGH YIELD FUND	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 541	\$ 7,678	\$ 154,447	\$ 92,114	\$ 202,816	\$ 134,436
Net realized gain (loss) on investments	564,211	290,189	936,091	497,763	14,487	101,863
Change in net unrealized appreciation (depreciation) on investments	(884,891)	155,039	(2,701,492)	890,751	(423,359)	(25,119)
Increase (decrease) in net assets resulting from operations	(320,139)	452,906	(1,610,954)	1,480,628	(206,056)	211,180
CONTRACT TRANSACTIONS:						
Purchase payments received			414,326	797,633	372,668	128,232
Transfers for contract benefits and terminations	(332,392)	(154,326)	(730,335)	(1,035,180)	(221,583)	(291,571)
Net transfers	(542,734)	(48,183)	(490,077)	(228,647)	414,876	310,411
Contract charges		(279)		(129)		(111)
Adjustments to net assets allocated to contracts in payout phase	5,928	51	9,983	2,565	3,467	(8,619)
Increase (decrease) in net assets resulting from contract transactions	(869,198)	(202,737)	(796,103)	(463,758)	569,428	138,342
Total increase (decrease) in net assets	(1,189,337)	250,169	(2,407,057)	1,016,870	363,372	349,522
NET ASSETS:						
Beginning of period	4,067,435	3,817,266	12,323,578	11,306,708	4,077,644	3,728,122
End of period	\$ 2,878,098	\$ 4,067,435	\$ 9,916,521	\$ 12,323,578	\$ 4,441,016	\$ 4,077,644
CHANGES IN UNITS OUTSTANDING:						
Units issued	(0)	253	41,978	118,034	132,374	36,152
Units redeemed	(25,139)	(6,264)	(66,620)	(115,253)	(84,866)	(23,169)
Net increase (decrease)	(25,139)	(6,011)	(24,642)	2,781	47,508	12,983

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017**

	INVESTMENT DIVISIONS					
	INVESCO V.I. INTERNATIONAL GROWTH FUND		INVESCO V.I. MID CAP CORE EQUITY FUND		INVESCO V.I. SMALL CAP EQUITY FUND	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 159,203	\$ 102,321	\$ (5,145)	\$ (4,477)	\$ (24,145)	\$ (22,383)
Net realized gain (loss) on investments	398,283	233,854	285,282	46,666	240,242	58,737
Change in net unrealized appreciation (depreciation) on investments	(2,746,526)	2,265,932	(527,980)	256,695	(634,249)	344,505
Increase (decrease) in net assets resulting from operations	(2,189,040)	2,602,107	(247,843)	298,884	(418,152)	380,859
CONTRACT TRANSACTIONS:						
Purchase payments received	450,846	777,315			103,812	308,971
Transfers for contract benefits and terminations	(623,438)	(379,652)	(53,162)	(93,252)	(108,484)	(194,149)
Net transfers	(836,009)	228,117	(264,257)	(79,919)	(563,966)	(147,779)
Contract charges		(22)	(6)	(6)		(46)
Adjustments to net assets allocated to contracts in payout phase	7,055	6,558	261	(242)	3,741	(112)
Increase (decrease) in net assets resulting from contract transactions	(1,001,546)	632,316	(317,158)	(173,419)	(564,897)	(33,115)
Total increase (decrease) in net assets	(3,190,586)	3,234,423	(565,001)	125,465	(983,049)	347,744
NET ASSETS:						
Beginning of period	14,774,274	11,539,851	2,321,853	2,196,388	3,209,812	2,862,068
End of period	\$ 11,583,688	\$ 14,774,274	\$ 1,756,852	\$ 2,321,853	\$ 2,226,763	\$ 3,209,812
CHANGES IN UNITS OUTSTANDING:						
Units issued	162,219	217,021	52	313	28,652	40,967
Units redeemed	(225,551)	(156,664)	(14,274)	(8,125)	(45,869)	(34,745)
Net increase (decrease)	(63,332)	60,357	(14,222)	(7,812)	(17,217)	6,222

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

INVESTMENT DIVISIONS									
	INVESCO V.I. TECHNOLOGY FUND		IVY VIP INTERNATIONAL CORE EQUITY		JANUS HENDERSON VIT BALANCED PORTFOLIO INSTITUTIONAL SHARES				
	2018	2017	2018	2017	2018	2017	2018	2017	
INCREASE (DECREASE) IN NET ASSETS:									
OPERATIONS:									
Net investment income (loss)	\$ (27,917)	\$ (23,279)	\$ 21,716	\$ 2,054	\$ 234,082	\$ 133,502			
Net realized gain (loss) on investments	446,589	284,774	102,510	12,598	660,713	109,773			
Change in net unrealized appreciation (depreciation) on investments	(499,900)	587,243	(656,090)	183,962	(890,889)	2,023,521			
Increase (decrease) in net assets resulting from operations	(81,228)	848,738	(531,864)	198,614	3,906	2,266,796			
CONTRACT TRANSACTIONS:									
Purchase payments received		960	542,783	1,905,213	675,051	970,982			
Transfers for contract benefits and terminations	(314,836)	(124,313)	(111,784)	(41,612)	(452,439)	(681,100)			
Net transfers	433,089	185,283	221,781	89,864	265,907	(857,813)			
Contract charges		(297)				(103)			
Adjustments to net assets allocated to contracts in payout phase	379	509			1,439	2,150			
Increase (decrease) in net assets resulting from contract transactions	118,632	62,142	652,780	1,953,465	489,958	(565,884)			
Total increase (decrease) in net assets	37,404	910,880	120,916	2,152,079	493,864	1,700,912			
NET ASSETS:									
Beginning of period	3,304,473	2,393,593	2,436,070	283,991	14,702,392	13,001,480			
End of period	\$ 3,341,877	\$ 3,304,473	\$ 2,556,986	\$ 2,436,070	\$ 15,196,256	\$ 14,702,392			
CHANGES IN UNITS OUTSTANDING:									
Units issued	62,615	59,305	83,762	200,590	131,557	152,759			
Units redeemed	(66,482)	(76,994)	(21,200)	(12,111)	(63,000)	(176,431)			
Net increase (decrease)	(3,867)	(17,689)	62,562	188,479	68,557	(23,672)			

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	JANUS HENDERSON VIT BALANCED PORTFOLIO SERVICE SHARES		JANUS HENDERSON VIT FLEXIBLE BOND PORTFOLIO INSTITUTIONAL SHARES		JANUS HENDERSON VIT FLEXIBLE BOND PORTFOLIO SERVICE SHARES	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 1,057,463	\$ 570,791	\$ 510,046	\$ 505,210	\$ 770,717	\$ 795,966
Net realized gain (loss) on investments	4,378,926	1,104,564	(124,486)	19,977	(256,633)	(499,068)
Change in net unrealized appreciation (depreciation) on investments	(6,085,594)	11,301,244	(786,024)	91,731	(1,404,344)	904,352
Increase (decrease) in net assets resulting from operations	(649,205)	12,976,599	(400,464)	616,918	(890,260)	1,201,250
CONTRACT TRANSACTIONS:						
Purchase payments received	11,510,721	10,724,012	1,336,117	1,606,169	217,913	485,058
Transfers for contract benefits and terminations	(3,168,559)	(2,459,676)	(1,180,900)	(912,405)	(2,350,348)	(3,748,630)
Net transfers	(1,169,212)	(868,869)	(2,676,144)	836,114	(1,780,654)	(3,439,762)
Contract charges		(426)		(203)		(188)
Adjustments to net assets allocated to contracts in payout phase	(55,852)	28,631	34,245	8,317	15,032	(8,647)
Increase (decrease) in net assets resulting from contract transactions	7,117,098	7,423,672	(2,486,682)	1,537,992	(3,898,057)	(6,712,169)
Total increase (decrease) in net assets	6,467,893	20,400,271	(2,887,146)	2,154,910	(4,788,317)	(5,510,919)
NET ASSETS:						
Beginning of period	92,302,240	71,901,969	22,724,811	20,569,901	43,710,425	49,221,344
End of period	\$ 98,770,133	\$ 92,302,240	\$ 19,837,665	\$ 22,724,811	\$ 38,922,108	\$ 43,710,425
CHANGES IN UNITS OUTSTANDING:						
Units issued	1,152,565	1,124,698	218,340	336,228	211,059	284,984
Units redeemed	(533,927)	(423,315)	(373,017)	(140,185)	(454,008)	(714,498)
Net increase (decrease)	618,638	701,383	(154,677)	196,043	(242,949)	(429,514)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	JANUS HENDERSON VIT GLOBAL RESEARCH PORTFOLIO		JANUS HENDERSON VIT GLOBAL TECHNOLOGY PORTFOLIO INSTITUTIONAL SHARES		JANUS HENDERSON VIT GLOBAL TECHNOLOGY PORTFOLIO SERVICE SHARES	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 44,153	\$ 3,171	\$ 1,219	\$ (30)	\$ 24,808	\$ (6,446)
Net realized gain (loss) on investments	409,349	289,307	37,304	32,763	977,865	488,698
Change in net unrealized appreciation (depreciation) on investments	(1,343,649)	1,635,348	(56,633)	17,195	(1,273,455)	407,866
Increase (decrease) in net assets resulting from operations	(890,147)	1,927,826	(18,110)	49,928	(270,782)	890,118
CONTRACT TRANSACTIONS:						
Purchase payments received	2,003,557	191,945	164,493	23,154	120,572	2,037
Transfers for contract benefits and terminations	(459,425)	(361,535)	(2,946)	(2,169)	(219,739)	(159,217)
Net transfers	153,428	564,272	(40,872)	(73,878)	2,558,115	2,432,517
Contract charges		(861)				
Adjustments to net assets allocated to contracts in payout phase	57,881	(23,803)				
Increase (decrease) in net assets resulting from contract transactions	1,755,441	370,018	120,675	(52,893)	2,458,948	2,275,337
Total increase (decrease) in net assets	865,294	2,297,844	102,565	(2,965)	2,188,166	3,165,455
NET ASSETS:						
Beginning of period	9,561,730	7,263,886	140,928	143,893	4,760,858	1,595,403
End of period	\$ 10,427,024	\$ 9,561,730	\$ 243,493	\$ 140,928	\$ 6,949,024	\$ 4,760,858
CHANGES IN UNITS OUTSTANDING:						
Units issued	200,349	70,339	13,606	3,402	321,229	278,108
Units redeemed	(52,985)	(28,170)	(8,123)	(7,015)	(204,295)	(145,801)
Net increase (decrease)	147,364	42,169	5,483	(3,613)	116,934	132,307

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017**

	INVESTMENT DIVISIONS					
	JANUS HENDERSON VIT OVERSEAS PORTFOLIO INSTITUTIONAL SHARES		JANUS HENDERSON VIT OVERSEAS PORTFOLIO SERVICE SHARES		JANUS HENDERSON VIT RESEARCH PORTFOLIO	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 31,683	\$ 28,839	\$ 14,054	\$ 13,468	\$ (24,444)	\$ (32,942)
Net realized gain (loss) on investments	(244,368)	(318,581)	(173,454)	(160,674)	640,756	214,858
Change in net unrealized appreciation (depreciation) on investments	(309,403)	1,217,148	(90,586)	578,680	(819,777)	1,514,773
Increase (decrease) in net assets resulting from operations	(522,088)	927,406	(249,986)	431,474	(203,465)	1,696,689
CONTRACT TRANSACTIONS:						
Purchase payments received			7,837	4,486		
Transfers for contract benefits and terminations	(347,047)	(264,507)	(530,812)	(45,801)	(342,401)	(430,386)
Net transfers	(64,853)	(195,846)	194,576	(48,456)	(435,076)	(166,826)
Contract charges		(384)		(88)		(847)
Adjustments to net assets allocated to contracts in payout phase	3,741	(474)	(2,710)	8,981	72,996	(25,970)
Increase (decrease) in net assets resulting from contract transactions	(408,159)	(461,211)	(331,109)	(80,878)	(704,481)	(624,029)
Total increase (decrease) in net assets	(930,247)	466,195	(581,095)	350,596	(907,946)	1,072,660
NET ASSETS:						
Beginning of period	3,706,021	3,239,826	1,836,441	1,485,845	7,713,021	6,640,361
End of period	\$ 2,775,774	\$ 3,706,021	\$ 1,255,346	\$ 1,836,441	\$ 6,805,075	\$ 7,713,021
CHANGES IN UNITS OUTSTANDING:						
Units issued	254	344	69,083	28,659	(2,873)	(547)
Units redeemed	(15,947)	(19,164)	(101,728)	(39,187)	(19,711)	(18,106)
Net increase (decrease)	(15,693)	(18,820)	(32,645)	(10,528)	(22,584)	(18,653)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	JPMORGAN INSURANCE TRUST SMALL CAP CORE PORTFOLIO		LAZARD RETIREMENT EMERGING MARKETS EQUITY PORTFOLIO		LVIP BARON GROWTH OPPORTUNITIES FUND	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ (10,596)	\$ (7,932)	\$ 157,217	\$ 168,582	\$ (170,729)	\$ (155,457)
Net realized gain (loss) on investments	455,243	164,897	521,746	239,277	1,970,986	1,750,280
Change in net unrealized appreciation (depreciation) on investments	(847,367)	153,450	(3,973,373)	3,322,946	(2,640,395)	3,102,126
Increase (decrease) in net assets resulting from operations	(402,720)	310,415	(3,294,410)	3,730,805	(840,138)	4,696,949
CONTRACT TRANSACTIONS:						
Purchase payments received	133,167	228,499	735,259	596,552	191,804	70,170
Transfers for contract benefits and terminations	(140,535)	(7,919)	(1,074,139)	(1,537,659)	(1,372,237)	(1,401,101)
Net transfers	307,844	168,744	(1,548,368)	895,057	(181,823)	(618,942)
Contract charges				(117)		(262)
Adjustments to net assets allocated to contracts in payout phase	471	625	3,975	4,434	26,514	14,109
Increase (decrease) in net assets resulting from contract transactions	300,947	389,949	(1,883,273)	(41,733)	(1,335,742)	(1,936,026)
Total increase (decrease) in net assets	(101,773)	700,364	(5,177,683)	3,689,072	(2,175,880)	2,760,923
NET ASSETS:						
Beginning of period	2,754,602	2,054,238	17,702,157	14,013,085	21,276,257	18,515,334
End of period	\$ 2,652,829	\$ 2,754,602	\$ 12,524,474	\$ 17,702,157	\$ 19,100,377	\$ 21,276,257
CHANGES IN UNITS OUTSTANDING:						
Units issued	114,925	51,342	239,680	344,442	64,754	64,967
Units redeemed	(104,856)	(34,751)	(345,007)	(317,321)	(89,829)	(108,449)
Net increase (decrease)	10,069	16,591	(105,327)	27,121	(25,075)	(43,482)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	MFS VIT II INTERNATIONAL VALUE PORTFOLIO		MFS VIT III MID CAP VALUE PORTFOLIO		MFS VIT UTILITIES SERIES	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
(1)						
OPERATIONS:						
Net investment income (loss)	\$ 78,050	\$ 214,211	\$ 533	\$ 375	\$ 1,723	\$ 256,036
Net realized gain (loss) on investments	1,585,731	1,229,104	12,746	1,139	187,451	(159,799)
Change in net unrealized appreciation (depreciation) on investments	(5,700,723)	5,999,564	(58,657)	3,297	(192,439)	822,511
Increase (decrease) in net assets resulting from operations	(4,036,942)	7,442,879	(45,378)	4,811	(3,265)	918,748
CONTRACT TRANSACTIONS:						
Purchase payments received	1,555,180	1,774,172	224,683	55,885	161,679	284,879
Transfers for contract benefits and terminations	(2,166,607)	(3,066,677)	(487)	(87)	(249,105)	(337,288)
Net transfers	1,903,235	3,857,543	102,971	24,151	(1,613,901)	226,964
Contract charges	(1,479)	(109)			(27,016)	(116)
Adjustments to net assets allocated to contracts in payout phase		7,071				20,527
Increase (decrease) in net assets resulting from contract transactions	1,290,329	2,572,000	327,167	80,036	(1,728,343)	194,966
Total increase (decrease) in net assets	(2,746,613)	10,014,879	281,789	84,847	(1,731,608)	1,113,714
NET ASSETS:						
Beginning of period	37,535,805	27,520,926	84,847	0	7,168,605	6,054,891
End of period	\$ 34,789,192	\$ 37,535,805	\$ 366,636	\$ 84,847	\$ 5,436,997	\$ 7,168,605
CHANGES IN UNITS OUTSTANDING:						
Units issued	337,697	368,756	30,519	10,271	62,351	160,941
Units redeemed	(209,840)	(201,277)	(202)	(2,513)	(167,333)	(137,156)
Net increase (decrease)	127,857	167,479	30,317	7,758	(104,982)	23,785

(1) For the period June 21, 2017 to December 31, 2017.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

INVESTMENT DIVISIONS												
MORGAN STANLEY VIF U.S. REAL ESTATE PORTFOLIO				NEUBERGER BERMAN AMT MID CAP INTRINSIC VALUE PORTFOLIO		NEUBERGER BERMAN AMT SUSTAINABLE EQUITY PORTFOLIO						
	2018		2017	2018	2017	2018	2017					
INCREASE (DECREASE) IN NET ASSETS:												
OPERATIONS:												
Net investment income (loss)	\$	114,160	\$	42,150	\$	(4,158)	\$	(2,033)	\$	(1,673)	\$	(1,038)
Net realized gain (loss) on investments		123,794		490,352		42,212		76		100,653		29,305
Change in net unrealized appreciation (depreciation) on investments		(709,002)		(410,865)		(207,928)		130,534		(115,982)		93,725
Increase (decrease) in net assets resulting from operations		(471,048)		121,637		(169,874)		128,577		(17,002)		121,992
CONTRACT TRANSACTIONS:												
Purchase payments received		160		125		107,495		121,191		11,399		1,449
Transfers for contract benefits and terminations		(550,774)		(468,025)		(34,546)		(53,033)		(1,480)		(1,480)
Net transfers		(522,939)		(1,335,700)		(37,481)		(146,731)		(327,511)		(73)
Contract charges				(293)								
Adjustments to net assets allocated to contracts in payout phase		10,685		43,920		364		650				
Increase (decrease) in net assets resulting from contract transactions		(1,062,868)		(1,759,973)		35,832		(77,923)		(316,112)		(104)
Total increase (decrease) in net assets		(1,533,916)		(1,638,336)		(134,042)		50,654		(333,114)		121,888
NET ASSETS:												
Beginning of period		6,280,616		7,918,952		924,610		873,956		817,513		695,625
End of period	\$	4,746,700	\$	6,280,616	\$	790,568	\$	924,610	\$	484,399	\$	817,513
CHANGES IN UNITS OUTSTANDING:												
Units issued		10,607		8,824		15,355		17,905		2,634		125
Units redeemed		(32,315)		(47,332)		(11,767)		(22,998)		(26,807)		(131)
Net increase (decrease)		(21,708)		(38,508)		3,588		(5,093)		(24,173)		(6)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	NVIT MID CAP INDEX FUND		OPPENHEIMER GLOBAL FUND/V/A		OPPENHEIMER INTERNATIONAL GROWTH FUND/V/A	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 77,915	\$ 904,929	\$ 84,200	\$ 59,393	\$ 30,790	\$ 105,150
Net realized gain (loss) on investments	2,343,558	1,013,546	4,277,390	833,923	582,272	270,250
Change in net unrealized appreciation (depreciation) on investments	(5,024,381)	954,246	(8,682,240)	7,978,391	(4,014,170)	2,857,304
Increase (decrease) in net assets resulting from operations	(2,602,908)	2,872,721	(4,320,650)	8,871,707	(3,401,108)	3,232,704
CONTRACT TRANSACTIONS:						
Purchase payments received	1,147,373	1,084,328	640,749	748,602	990,731	1,209,948
Transfers for contract benefits and terminations	(1,143,408)	(1,203,477)	(2,128,692)	(1,437,886)	(1,072,131)	(698,500)
Net transfers	(1,679,917)	(61,158)	(1,177,056)	954,706	66,273	(89,651)
Contract charges	—	(131)	—	(327)	—	—
Adjustments to net assets allocated to contracts in payout phase	12,177	8,014	(13,009)	16,961	1,500	621
Increase (decrease) in net assets resulting from contract transactions	(1,663,775)	(172,424)	(2,678,008)	282,056	(13,627)	422,418
Total increase (decrease) in net assets	(4,266,683)	2,700,297	(6,998,658)	9,153,763	(3,414,735)	3,655,122
NET ASSETS:						
Beginning of period	22,733,727	20,033,430	34,166,934	25,013,171	16,504,490	12,849,368
End of period	\$ 18,467,044	\$ 22,733,727	\$ 27,168,276	\$ 34,166,934	\$ 13,089,755	\$ 16,504,490
CHANGES IN UNITS OUTSTANDING:						
Units issued	131,856	184,227	140,699	176,119	235,462	176,503
Units redeemed	(153,665)	(148,973)	(197,719)	(116,257)	(204,517)	(107,186)
Net increase (decrease)	(21,809)	35,254	(57,020)	59,862	30,945	69,317

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	OPPENHEIMER MAIN STREET SMALL CAP FUND/VA		PIMCO VIT COMMODITY REAL RETURN STRATEGY PORTFOLIO		PIMCO VIT EMERGING MARKETS BOND PORTFOLIO	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						(1)
OPERATIONS:						
Net investment income (loss)	\$ (8,756)	\$ 3,821	\$ 16,956	\$ 104,737	\$ 13,807	\$ 3,221
Net realized gain (loss) on investments	302,006	141,331	(11,545)	(25,990)	(2,103)	3
Change in net unrealized appreciation (depreciation) on investments	(733,768)	63,633	(192,858)	(62,125)	(29,152)	590
Increase (decrease) in net assets resulting from operations	(440,518)	208,785	(187,447)	16,622	(17,448)	3,814
CONTRACT TRANSACTIONS:						
Purchase payments received	407,856	160,529	142,544	156,753	270,715	99,836
Transfers for contract benefits and terminations	(145,489)	(113,391)	(70,271)	(67,438)	(28)	(28)
Net transfers	1,091,886	290,490	274,990	(49,211)	126,765	99,763
Contract charges						
Adjustments to net assets allocated to contracts in payout phase						
Increase (decrease) in net assets resulting from contract transactions	1,354,253	337,628	347,263	40,104	397,452	199,599
Total increase (decrease) in net assets	913,735	546,413	159,816	56,726	380,004	203,413
NET ASSETS:						
Beginning of period	1,844,348	1,297,935	1,006,109	949,383	203,413	0
End of period	\$ 2,758,083	\$ 1,844,348	\$ 1,165,925	\$ 1,006,109	\$ 583,417	\$ 203,413
CHANGES IN UNITS OUTSTANDING:						
Units issued	114,335	61,512	86,985	41,683	44,739	19,677
Units redeemed	(22,885)	(34,133)	(30,258)	(35,101)	(4,845)	(7)
Net increase (decrease)	91,450	27,379	56,727	6,582	39,894	19,670

(1) For the period May 22, 2017 to December 31, 2017.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017**

INVESTMENT DIVISIONS							
	PIMCO VIT HIGH YIELD PORTFOLIO		PIMCO VIT LOW DURATION PORTFOLIO		PIMCO VIT REAL RETURN PORTFOLIO		
	2018	2017	2018	2017	2018	2017	
INCREASE (DECREASE) IN NET ASSETS:							
OPERATIONS:							
Net investment income (loss)	\$ 1,327,617	\$ 1,323,985	\$ 923,693	\$ 458,259	\$ 39,807	\$ 23,057	
Net realized gain (loss) on investments	(282,106)	(119,972)	(574,072)	(323,774)	(10,177)	(8,138)	
Change in net unrealized appreciation (depreciation) on investments	(2,055,602)	557,695	(614,277)	321,796	(82,573)	22,740	
Increase (decrease) in net assets resulting from operations	(1,010,091)	1,761,708	(264,656)	456,281	(52,943)	37,659	
CONTRACT TRANSACTIONS:							
Purchase payments received	2,215,581	2,304,342	4,935,984	4,944,908	736,737	458,642	
Transfers for contract benefits and terminations	(1,827,054)	(1,720,520)	(6,005,037)	(7,584,759)	(90,300)	(71,296)	
Net transfers	(6,076,244)	243,361	4,998,836	2,863,405	194,460	298,541	
Contract charges		(105)		(204)			
Adjustments to net assets allocated to contracts in payout phase	1,509	(11,160)	16,241	1,676			
Increase (decrease) in net assets resulting from contract transactions	(5,686,208)	815,918	3,946,024	225,026	840,897	685,887	
Total increase (decrease) in net assets	(6,696,299)	2,577,626	3,681,368	681,307	787,954	723,546	
NET ASSETS:							
Beginning of period	33,523,802	30,946,176	74,454,858	73,773,551	1,598,693	875,147	
End of period	\$ 26,827,503	\$ 33,523,802	\$ 78,136,226	\$ 74,454,858	\$ 2,386,647	\$ 1,598,693	
CHANGES IN UNITS OUTSTANDING:							
Units issued	584,426	475,333	1,826,064	1,394,795	109,552	84,725	
Units redeemed	(857,690)	(316,548)	(1,433,657)	(1,234,890)	(25,374)	(15,896)	
Net increase (decrease)	(273,264)	158,785	392,407	159,905	84,178	68,829	

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

INVESTMENT DIVISIONS												
PIMCO VIT TOTAL RETURN PORTFOLIO				PIONEER BOND VCT PORTFOLIO		PIONEER EMERGING MARKETS VCT PORTFOLIO		PIONEER FUND VCT PORTFOLIO				
2018		2017		2018		2017		2018				
				(1)		(2)						
INCREASE (DECREASE) IN NET ASSETS:												
OPERATIONS:												
Net investment income (loss)	\$	2,144,965	\$	1,462,201	\$	839	\$	(920)	\$	10,147	\$	11,846
Net realized gain (loss) on investments		342,932		(375,936)		(2)		(37,204)		531,521		375,705
Change in net unrealized appreciation (depreciation) on investments		(3,891,712)		3,359,421		(900)		76,537		(589,009)		199,545
Increase (decrease) in net assets resulting from operations		(1,403,815)		4,445,686		(63)		38,413		(47,341)		587,096
CONTRACT TRANSACTIONS:												
Purchase payments received		9,936,846		8,408,152		99,999		(586)		58,869		6,410
Transfers for contract benefits and terminations		(9,320,389)		(9,247,292)		1		(178,551)		(446,631)		(126,213)
Net transfers		2,104,692		14,341,808		(397)		(175)		104,018		(235,280)
Contract charges		59,377		(5,871)						5,504		(9,656)
Adjustments to net assets allocated to contracts in payout phase												
Increase (decrease) in net assets resulting from contract transactions		2,780,526		13,496,400		100,000		(179,137)		(278,240)		(364,914)
Total increase (decrease) in net assets		1,376,711		17,942,086		99,937		(140,724)		(325,581)		222,182
NET ASSETS:												
Beginning of period		118,557,025		100,614,939		0		140,724		3,252,406		3,030,224
End of period	\$	119,933,736	\$	118,557,025	\$	99,937	\$	0	\$	2,926,825	\$	3,252,406
CHANGES IN UNITS OUTSTANDING:												
Units issued		1,754,142		2,097,966		9,955		(25,643)		14,554		652
Units redeemed		(1,279,834)		(940,923)				(25,643)		(18,994)		(16,665)
Net increase (decrease)		474,308		1,157,043		9,955		(25,643)		(4,440)		(16,013)

(1) For the period September 11, 2018 to December 31, 2018.
(2) For the period January 1, 2017 to November 2, 2017.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	PIONEER MID CAP VALUE VCT PORTFOLIO		PIONEER SELECT MID CAP GROWTH VCT PORTFOLIO		PRUDENTIAL SERIES FUND EQUITY PORTFOLIO	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ (5,134)	\$ (2,799)	\$ (53,138)	\$ (37,338)	\$ (12,665)	\$ (11,906)
Net realized gain (loss) on investments	127,016	127,925	966,184	165,682	72,366	158,690
Change in net unrealized appreciation (depreciation) on investments	(464,994)	91,278	(1,462,396)	1,160,815	(146,093)	180,539
Increase (decrease) in net assets resulting from operations	(343,112)	216,404	(549,350)	1,289,159	(86,392)	327,323
CONTRACT TRANSACTIONS:						
Purchase payments received	270	720	501,840	17,234	(32,364)	(19,406)
Transfers for contract benefits and terminations	(84,658)	(80,229)	(299,686)	(248,369)	(34,213)	(348,124)
Net transfers	(103,424)	(243,140)	851,450	(34,213)	24,302	(14)
Contract charges	(847)	(22)	(1,093)	(473)	153	492
Adjustments to net assets allocated to contracts in payout phase		460				
Increase (decrease) in net assets resulting from contract transactions	(188,659)	(322,211)	1,052,511	(265,995)	(7,909)	(367,052)
Total increase (decrease) in net assets	(531,771)	(105,807)	503,161	1,023,164	(94,301)	(39,729)
NET ASSETS:						
Beginning of period	1,834,715	1,940,522	5,714,319	4,691,155	1,396,420	1,436,149
End of period	\$ 1,302,944	\$ 1,834,715	\$ 6,217,480	\$ 5,714,319	\$ 1,302,119	\$ 1,396,420
CHANGES IN UNITS OUTSTANDING:						
Units issued	4,738	37,422	101,592	29,339	21,793	220
Units redeemed	(14,977)	(54,654)	(38,064)	(38,893)	(21,811)	(17,742)
Net increase (decrease)	(10,239)	(17,232)	63,528	(9,554)	(18)	(17,522)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS							
	PRUDENTIAL SERIES FUND NATURAL RESOURCES PORTFOLIO		PUTNAM VT EQUITY INCOME FUND		PUTNAM VT GLOBAL ASSET ALLOCATION FUND			
	2018	2017	2018	2017	2018	2017	2017	
INCREASE (DECREASE) IN NET ASSETS:								
OPERATIONS:								
Net investment income (loss)	\$ (5,339)	\$ (5,537)	\$ (971)	\$ 130,440	\$ 16,930	\$ 1,250		
Net realized gain (loss) on investments	(15,330)	(43,154)	988,378	937,707	76,174	6,577		
Change in net unrealized appreciation (depreciation) on investments	(128,453)	32,425	(2,185,164)	975,583	(167,533)	24,125		
Increase (decrease) in net assets resulting from operations	(149,122)	(16,266)	(1,197,757)	2,043,730	(74,429)	31,952		
CONTRACT TRANSACTIONS:								
Purchase payments received			655,771	587,176	822,239	143,206		
Transfers for contract benefits and terminations	(39,585)	(25,278)	(364,571)	(1,355,534)	(8,969)	(9,988)		
Net transfers	(14,623)	(77,454)	(548,958)	(295,421)	(140,620)	39,937		
Contract charges				(92)				
Adjustments to net assets allocated to contracts in payout phase	(753)	15	9,282	7,775				
Increase (decrease) in net assets resulting from contract transactions	(54,961)	(102,717)	(248,476)	(1,056,096)	672,650	173,155		
Total increase (decrease) in net assets	(204,083)	(118,983)	(1,446,233)	987,634	598,221	205,107		
NET ASSETS:								
Beginning of period	834,033	953,016	13,005,287	12,017,653	355,102	149,995		
End of period	\$ 629,950	\$ 834,033	\$ 11,559,054	\$ 13,005,287	\$ 953,323	\$ 355,102		
CHANGES IN UNITS OUTSTANDING:								
Units issued		768	103,052	130,059	80,100	15,822		
Units redeemed	(5,323)	(10,936)	(115,527)	(146,984)	(24,459)	(840)		
Net increase (decrease)	(5,323)	(10,168)	(12,475)	(16,925)	55,641	14,982		

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017**

	INVESTMENT DIVISIONS					
	PUTNAM VT GLOBAL HEALTH CARE FUND		PUTNAM VT INCOME FUND		PUTNAM VT INTERNATIONAL EQUITY FUND	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 12,514	\$ (13,002)	\$ 98,134	\$ 32,194	\$ 8,174	\$ 5,122
Net realized gain (loss) on investments	342,033	87,040	(78,407)	(4,602)	8,848	1,474
Change in net unrealized appreciation (depreciation) on investments	(390,863)	712,543	(8,784)	19,012	(262,714)	89,900
Increase (decrease) in net assets resulting from operations	(36,316)	786,581	10,943	46,604	(245,692)	96,496
CONTRACT TRANSACTIONS:						
Purchase payments received	52,355	14,387	5,103,287	484,200	576,416	275,469
Transfers for contract benefits and terminations	(219,570)	(407,705)	(19,978)	(14,168)	(22,598)	(22,598)
Net transfers	(834,260)	(1,011,962)	(2,445,980)	133,810	(8,178)	92,632
Contract charges		(185)				
Adjustments to net assets allocated to contracts in payout phase	(2,798)	141,996				
Increase (decrease) in net assets resulting from contract transactions	(1,004,273)	(1,263,469)	2,637,329	603,842	545,640	368,101
Total increase (decrease) in net assets	(1,040,589)	(476,888)	2,648,272	650,446	299,948	464,597
NET ASSETS:						
Beginning of period	5,209,604	5,686,492	1,329,532	679,086	736,015	271,418
End of period	\$ 4,169,015	\$ 5,209,604	\$ 3,977,804	\$ 1,329,532	\$ 1,035,963	\$ 736,015
CHANGES IN UNITS OUTSTANDING:						
Units issued	15,503	39,544	507,913	66,799	50,796	31,943
Units redeemed	(65,821)	(98,577)	(249,924)	(7,247)	(7,047)	(606)
Net increase (decrease)	(50,318)	(59,033)	257,989	59,552	43,749	31,337

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

**STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017**

	INVESTMENT DIVISIONS			
	PUTNAM VT INTERNATIONAL VALUE FUND		PUTNAM VT MORTGAGE SECURITIES FUND	
	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:				
OPERATIONS:				
Net investment income (loss)	\$ 12,172	\$ 5,922	\$ 144,904	\$ 154,699
Net realized gain (loss) on investments	9,805	8,409	(171,839)	(249,535)
Change in net unrealized appreciation (depreciation) on investments	(202,333)	93,519	(98,535)	197,217
Increase (decrease) in net assets resulting from operations	(180,356)	107,850	(125,470)	102,381
CONTRACT TRANSACTIONS:				
Purchase payments received	220,272	88,879	52,112	105,566
Transfers for contract benefits and terminations	(3,629)	(30,743)	(987,431)	(2,671,825)
Net transfers	112,781	68,473	(397,048)	(2,487,389)
Contract charges				(26)
Adjustments to net assets allocated to contracts in payout phase			9,878	(3,353)
Increase (decrease) in net assets resulting from contract transactions	329,424	126,609	(1,322,489)	(5,057,027)
Total increase (decrease) in net assets	149,068	234,459	(1,447,959)	(4,954,646)
NET ASSETS:				
Beginning of period	662,784	428,325	7,117,407	12,072,053
End of period	\$ 811,852	\$ 662,784	\$ 5,669,448	\$ 7,117,407
CHANGES IN UNITS OUTSTANDING:				
Units issued	38,130	23,669	86,960	109,916
Units redeemed	(8,992)	(12,043)	(213,113)	(587,520)
Net increase (decrease)	29,138	11,626	(126,153)	(477,604)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	PUTNAM VT SMALL CAP VALUE FUND		ROYCE CAPITAL FUND - SMALL-CAP PORTFOLIO		SCHWAB GOVERNMENT MONEY MARKET PORTFOLIO	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ (63)	\$ 258	\$ (16,601)	\$ 1,165	\$ 796,322	\$ (254,530)
Net realized gain (loss) on investments	7,096	3,732	(144,311)	(350,153)		
Change in net unrealized appreciation (depreciation) on investments	(14,198)	(2,399)	(148,915)	485,406		
Increase (decrease) in net assets resulting from operations	(7,165)	1,591	(309,827)	136,418	796,322	(254,530)
CONTRACT TRANSACTIONS:						
Purchase payments received	8,809	114,142			20,369,583	24,796,237
Transfers for contract benefits and terminations			(121,578)	(255,320)	(31,461,692)	(17,389,118)
Net transfers	(15,275)	(95,281)	(83,733)	(207,899)	50,735,067	(16,988,550)
Contract charges				(17)		(6,944)
Adjustments to net assets allocated to contracts in payout phase			2,003	(897)	102,618	(49,183)
Increase (decrease) in net assets resulting from contract transactions	(6,466)	18,861	(203,308)	(464,133)	39,745,576	(9,637,558)
Total increase (decrease) in net assets	(13,631)	20,452	(513,135)	(327,715)	40,541,898	(9,892,088)
NET ASSETS:						
Beginning of period	38,131	17,679	3,604,901	3,932,616	83,484,536	93,376,624
End of period	\$ 24,500	\$ 38,131	\$ 3,091,766	\$ 3,604,901	\$ 124,026,434	\$ 83,484,536
CHANGES IN UNITS OUTSTANDING:						
Units issued	2,280	9,420	3,644	939	12,046,836	5,707,942
Units redeemed	(2,859)	(7,915)	(11,805)	(21,816)	(8,401,486)	(6,548,603)
Net increase (decrease)	(579)	1,505	(8,161)	(20,877)	3,645,350	(840,661)

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS			
	SCHWAB MARKETTRACK GROWTH PORTFOLIO II		SCHWAB S&P 500 INDEX PORTFOLIO	
	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:	(1)			
OPERATIONS:				
Net investment income (loss)	\$ 251,421	\$ 202,157	\$ 3,316,994	\$ 2,708,509
Net realized gain (loss) on investments	3,735,717	2,498,236	23,626,729	18,116,148
Change in net unrealized appreciation (depreciation) on investments	(4,292,929)	1,162,240	(44,516,954)	35,218,293
				(283,393)
				68,155
Increase (decrease) in net assets resulting from operations	(305,791)	3,862,633	(17,573,231)	56,042,950
				(250,259)
				77,587
CONTRACT TRANSACTIONS:				
Purchase payments received	8,997	44,073	34,444,721	25,078,477
Transfers for contract benefits and terminations	(2,352,010)	(2,464,800)	(20,413,182)	(19,141,675)
Net transfers	(24,192,241)	(827,267)	(3,454,721)	(1,355,808)
Contract charges		(657)		(4,751)
Adjustments to net assets allocated to contracts in payout phase	(69,158)	(5,263)	248,132	28,277
Increase (decrease) in net assets resulting from contract transactions	(26,604,412)	(3,253,914)	10,824,950	4,604,520
				2,330,599
Total increase (decrease) in net assets	(26,910,203)	608,719	(6,748,281)	60,647,470
				2,080,340
				2,281,145
NET ASSETS:				
Beginning of period	26,910,203	26,301,484	328,557,697	267,910,227
				2,463,245
End of period	\$ 0	\$ 26,910,203	\$ 321,809,416	\$ 328,557,697
				4,543,585
				\$ 2,463,245
CHANGES IN UNITS OUTSTANDING:				
Units issued	69,065	31,557	3,445,333	2,745,272
				216,312
Units redeemed	(1,053,775)	(167,868)	(1,949,192)	(1,625,197)
				(8,078)
Net increase (decrease)	(984,710)	(136,311)	1,496,141	1,120,075
				208,234
				202,796

(1) For the period January 1, 2018 to November 27, 2018.

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	SCHWAB VIT BALANCED WITH GROWTH PORTFOLIO		SCHWAB VIT GROWTH PORTFOLIO		T. ROWE PRICE HEALTH SCIENCES PORTFOLIO	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 30,382	\$ 17,382	\$ 1,191	\$ 4,190	\$ (4,094)	\$ (1,918)
Net realized gain (loss) on investments	6,305	25,407	18,352	2,232	90,893	11,006
Change in net unrealized appreciation (depreciation) on investments	(370,056)	213,272	(325,983)	44,589	(251,856)	70,872
Increase (decrease) in net assets resulting from operations	(333,369)	256,061	(306,440)	51,011	(165,057)	79,960
CONTRACT TRANSACTIONS:						
Purchase payments received	1,958,375	804,826	2,416,086	469,503	339,378	77,779
Transfers for contract benefits and terminations		(1,047,283)	(3,721)	(851)	(42,212)	(8,775)
Net transfers	96,502	391,992	(58,523)	2,039	962,970	6,081
Contract charges						
Adjustments to net assets allocated to contracts in payout phase						
Increase (decrease) in net assets resulting from contract transactions	2,054,877	149,535	2,353,842	470,691	1,260,136	75,085
Total increase (decrease) in net assets	1,721,508	405,596	2,047,402	521,702	1,095,079	155,045
NET ASSETS:						
Beginning of period	2,965,893	2,560,297	579,434	57,732	427,312	272,267
End of period	\$ 4,687,401	\$ 2,965,893	\$ 2,626,836	\$ 579,434	\$ 1,522,391	\$ 427,312
CHANGES IN UNITS OUTSTANDING:						
Units issued	179,191	106,917	206,372	42,520	74,316	10,913
Units redeemed	(862)	(100,953)	(18,271)	(653)	(4,444)	(5,649)
Net increase (decrease)	178,329	5,964	188,101	41,867	69,872	5,264

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	T. ROWE PRICE HEALTH SCIENCES PORTFOLIO CLASS II		TEMPLETON FOREIGN VIP FUND		TEMPLETON GLOBAL BOND VIP FUND	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ (14,668)	\$ (13,429)	\$ 164,874	\$ 153,457	\$ (58,075)	\$ (46,330)
Net realized gain (loss) on investments	158,008	52,156	7,345	(59,930)	(53,605)	(117,887)
Change in net unrealized appreciation (depreciation) on investments	(187,097)	393,813	(1,534,513)	1,074,688	224,904	220,104
Increase (decrease) in net assets resulting from operations	(43,757)	432,540	(1,362,294)	1,168,215	113,224	55,887
CONTRACT TRANSACTIONS:						
Purchase payments received	173,138	30,061	45,973	333,997	1,254,637	1,307,967
Transfers for contract benefits and terminations	(15,949)	(99,192)	(471,919)	(492,551)	(481,359)	(903,338)
Net transfers	133,052	(306,045)	(505,978)	995,406	410,047	1,111,085
Contract charges				(31)		
Adjustments to net assets allocated to contracts in payout phase	3,523	3,486	(987)	397	1,014	11
Increase (decrease) in net assets resulting from contract transactions	293,764	(371,690)	(932,911)	837,218	1,184,339	1,515,725
Total increase (decrease) in net assets	250,007	60,850	(2,295,205)	2,005,433	1,297,563	1,571,612
NET ASSETS:						
Beginning of period	1,822,361	1,761,511	9,228,023	7,222,590	8,093,057	6,521,445
End of period	\$ 2,072,368	\$ 1,822,361	\$ 6,932,818	\$ 9,228,023	\$ 9,390,620	\$ 8,093,057
CHANGES IN UNITS OUTSTANDING:						
Units issued	30,551	22,228	50,018	210,894	247,614	332,716
Units redeemed	(13,884)	(50,701)	(128,946)	(142,775)	(126,227)	(178,776)
Net increase (decrease)	16,667	(28,473)	(78,928)	68,119	121,387	153,940

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

INVESTMENT DIVISIONS							
	THIRD AVENUE VALUE PORTFOLIO		TVST TOUCHSTONE BOND FUND		TVST TOUCHSTONE COMMON STOCK FUND		
	2018	2017	2018	2017	2018	2017	
INCREASE (DECREASE) IN NET ASSETS:							
OPERATIONS:							
Net investment income (loss)	\$ 18,250	\$ 1,831	\$ 122,165	\$ (67,769)	\$ 56,760	\$ (68,839)	
Net realized gain (loss) on investments	83,332	93,724	(148,873)	(191,130)	5,401,561	20,829	
Change in net unrealized appreciation (depreciation) on investments	(442,605)	129,680	(206,497)	550,366	(6,284,521)	1,896,762	
Increase (decrease) in net assets resulting from operations	(341,023)	225,235	(233,205)	291,467	(826,200)	1,848,752	
CONTRACT TRANSACTIONS:							
Purchase payments received			122,315	82,315	31,150	373,450	
Transfers for contract benefits and terminations	(108,147)	(113,338)	(800,973)	(1,240,930)	(468,781)	(457,019)	
Net transfers	(118,804)	(154,831)	(381,756)	(853,702)	(661,365)	128,472	
Contract charges		(21)		(6)		(16)	
Adjustments to net assets allocated to contracts in payout phase	657	357	1,353	(591)	(447)	1,177	
Increase (decrease) in net assets resulting from contract transactions	(226,294)	(267,833)	(1,059,061)	(2,012,914)	(1,099,443)	46,064	
Total increase (decrease) in net assets	(567,317)	(42,598)	(1,292,266)	(1,721,447)	(1,925,643)	1,894,816	
NET ASSETS:							
Beginning of period	1,853,314	1,895,912	8,628,157	10,349,604	10,741,252	8,846,436	
End of period	\$ 1,285,997	\$ 1,853,314	\$ 7,335,891	\$ 8,628,157	\$ 8,815,609	\$ 10,741,252	
CHANGES IN UNITS OUTSTANDING:							
Units issued	435	1,023	62,703	59,864	7,401	52,474	
Units redeemed	(19,030)	(24,185)	(153,558)	(230,973)	(55,701)	(39,934)	
Net increase (decrease)	(18,595)	(23,162)	(90,855)	(171,109)	(48,300)	12,540	

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	TVST TOUCHSTONE FOCUSED FUND		TVST TOUCHSTONE SMALL COMPANY FUND		VAN ECK VIP GLOBAL HARD ASSETS FUND	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ (8,462)	\$ (4,881)	\$ (45,413)	\$ (33,115)	\$ (20,950)	\$ (19,618)
Net realized gain (loss) on investments	209,703	40,442	935,713	(39,057)	30,303	190,182
Change in net unrealized appreciation (depreciation) on investments	(534,710)	417,839	(1,575,081)	909,425	(962,653)	(246,876)
Increase (decrease) in net assets resulting from operations	(333,469)	453,400	(684,781)	837,253	(953,300)	(76,312)
CONTRACT TRANSACTIONS:						
Purchase payments received	543,434	172,987	733,210	335,964	540,333	165,441
Transfers for contract benefits and terminations	(74,852)	(149,626)	(235,750)	(341,435)	(196,669)	(140,642)
Net transfers	(573,051)	(84,662)	964,569	263,716	(425,808)	(67,873)
Contract charges		(29)		(62)		
Adjustments to net assets allocated to contracts in payout phase	(2,921)	720	(827)	16	793	(567)
Increase (decrease) in net assets resulting from contract transactions	(107,390)	(60,610)	1,461,202	258,199	(81,351)	(43,641)
Total increase (decrease) in net assets	(440,859)	392,790	776,421	1,095,452	(1,034,651)	(119,953)
NET ASSETS:						
Beginning of period	3,950,406	3,557,616	5,472,997	4,377,545	3,233,717	3,353,670
End of period	\$ 3,509,547	\$ 3,950,406	\$ 6,249,418	\$ 5,472,997	\$ 2,199,066	\$ 3,233,717
CHANGES IN UNITS OUTSTANDING:						
Units issued	61,008	15,221	92,464	81,290	226,460	132,280
Units redeemed	(58,599)	(13,115)	(27,398)	(52,107)	(238,966)	(123,134)
Net increase (decrease)	2,409	2,106	65,066	29,183	(12,506)	9,146

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	VAN ECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND		VANGUARD VIF CAPITAL GROWTH PORTFOLIO		VANGUARD VIF DIVERSIFIED VALUE PORTFOLIO	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 306,872	\$ 91,354	\$ 16,027	\$ 15,788	\$ 76,636	\$ 45,386
Net realized gain (loss) on investments	(247,143)	(303,449)	654,986	132,644	213,711	186,971
Change in net unrealized appreciation (depreciation) on investments	(381,581)	808,415	(887,605)	812,306	(731,231)	127,769
Increase (decrease) in net assets resulting from operations	(321,852)	596,320	(216,592)	960,738	(440,884)	360,126
CONTRACT TRANSACTIONS:						
Purchase payments received	400	14,920	1,470,130	1,817,064	1,206,658	1,547,193
Transfers for contract benefits and terminations	(312,602)	(594,772)	(248,795)	(93,315)	(188,277)	(105,352)
Net transfers	(350,164)	(883,827)	(504,869)	73,842	(363,110)	369,718
Contract charges		(54)				
Adjustments to net assets allocated to contracts in payout phase	348	2,413				
Increase (decrease) in net assets resulting from contract transactions	(662,018)	(1,461,320)	716,466	1,797,591	655,271	1,811,559
Total increase (decrease) in net assets	(983,870)	(865,000)	499,874	2,758,329	214,387	2,171,685
NET ASSETS:						
Beginning of period	4,781,804	5,646,804	5,347,910	2,589,581	4,050,035	1,878,350
End of period	\$ 3,797,934	\$ 4,781,804	\$ 5,847,784	\$ 5,347,910	\$ 4,264,422	\$ 4,050,035
CHANGES IN UNITS OUTSTANDING:						
Units issued	32,172	50,983	157,160	149,502	140,675	165,094
Units redeemed	(92,387)	(183,035)	(119,375)	(21,788)	(88,235)	(12,831)
Net increase (decrease)	(60,215)	(132,052)	37,785	127,714	52,440	152,263

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	VANGUARD VIF MID-CAP INDEX PORTFOLIO		VANGUARD VIF REAL ESTATE INDEX PORTFOLIO		VANGUARD VIF SMALL COMPANY GROWTH PORTFOLIO	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ 36,992	\$ 17,439	\$ 85,085	\$ 49,011	\$ (7,370)	\$ (3,058)
Net realized gain (loss) on investments	389,259	155,655	31,771	107,233	332,814	97,961
Change in net unrealized appreciation (depreciation) on investments	(1,635,852)	623,825	(315,872)	(38,199)	(755,951)	273,241
Increase (decrease) in net assets resulting from operations	(1,209,601)	796,919	(199,016)	118,045	(430,507)	368,144
CONTRACT TRANSACTIONS:						
Purchase payments received	4,802,123	2,167,205	830,866	497,865	1,597,070	596,082
Transfers for contract benefits and terminations	(401,575)	(183,726)	(126,559)	(93,846)	(154,518)	(29,626)
Net transfers	(175,082)	508,480	(249,063)	218,894	(139,072)	246,658
Contract charges						
Adjustments to net assets allocated to contracts in payout phase						
Increase (decrease) in net assets resulting from contract transactions	4,225,466	2,491,959	455,244	622,913	1,303,480	813,114
Total increase (decrease) in net assets	3,015,865	3,288,878	256,228	740,958	872,973	1,181,258
NET ASSETS:						
Beginning of period	6,452,866	3,163,988	3,291,798	2,550,840	2,388,516	1,207,258
End of period	\$ 9,468,731	\$ 6,452,866	\$ 3,548,026	\$ 3,291,798	\$ 3,261,489	\$ 2,388,516
CHANGES IN UNITS OUTSTANDING:						
Units issued	364,702	222,821	86,362	58,325	120,773	69,351
Units redeemed	(73,653)	(27,885)	(49,110)	(8,846)	(42,769)	(7,645)
Net increase (decrease)	291,049	194,936	37,252	49,479	78,004	61,706

The accompanying notes are an integral part of these financial statements.

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	INVESTMENT DIVISIONS					
	WELLS FARGO VT DISCOVERY FUND		WELLS FARGO VT OMEGA GROWTH FUND		WELLS FARGO VT OPPORTUNITY FUND	
	2018	2017	2018	2017	2018	2017
INCREASE (DECREASE) IN NET ASSETS:						
OPERATIONS:						
Net investment income (loss)	\$ (53,199)	\$ (42,423)	\$ (11,856)	\$ (7,672)	\$ (34,103)	\$ (3,551)
Net realized gain (loss) on investments	888,249	228,186	247,759	66,781	789,280	583,297
Change in net unrealized appreciation (depreciation) on investments	(1,338,422)	1,291,194	(284,730)	221,458	(1,199,239)	500,120
Increase (decrease) in net assets resulting from operations	(503,372)	1,476,957	(48,827)	280,567	(444,062)	1,079,866
CONTRACT TRANSACTIONS:						
Purchase payments received	619,299	541,670	29,565		1,960	39,501
Transfers for contract benefits and terminations	(254,842)	(214,967)	(108,872)	(12,782)	(346,616)	(127,666)
Net transfers	(917,228)	255,017	371,729	246,011	(339,635)	(94,068)
Contract charges						(60)
Adjustments to net assets allocated to contracts in payout phase	(2,187)	2,044			(11,857)	12,700
Increase (decrease) in net assets resulting from contract transactions	(554,958)	583,764	292,422	233,229	(696,148)	(169,593)
Total increase (decrease) in net assets	(1,058,330)	2,060,721	243,595	513,796	(1,140,210)	910,273
NET ASSETS:						
Beginning of period	7,262,655	5,201,934	1,144,282	630,486	6,624,633	5,714,360
End of period	\$ 6,204,325	\$ 7,262,655	\$ 1,387,877	\$ 1,144,282	\$ 5,484,423	\$ 6,624,633
CHANGES IN UNITS OUTSTANDING:						
Units issued	70,710	62,275	52,391	41,175	7,887	9,830
Units redeemed	(100,530)	(17,646)	(35,029)	(20,364)	(32,645)	(17,552)
Net increase (decrease)	(29,820)	44,629	17,362	20,811	(24,758)	(7,722)

The accompanying notes are an integral part of these financial statements.

(Concluded)

VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The Variable Annuity-1 Series Account (the Series Account), a separate account of Great-West Life & Annuity Insurance Company (the Company), is registered as a unit investment trust under the Investment Company Act of 1940, as amended, and exists in accordance with regulations of the Colorado Division of Insurance. It is a funding vehicle for both group and individual variable annuity contracts. The Series Account consists of numerous investment divisions (Investment Divisions), each being treated as an individual accounting entity for financial reporting purposes, and each investing all of its investible assets in the named underlying mutual fund.

Under applicable insurance law, the assets and liabilities of each of the Investment Divisions of the Series Account are clearly identified and distinguished from the Company's other assets and liabilities. The portion of the Series Account's assets applicable to the reserves and other contract liabilities with respect to the Series Account is not chargeable with liabilities arising out of any other business the Company may conduct.

The preparation of financial statements and financial highlights of each of the Investment Divisions in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and financial highlights and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The Series Account is an investment company and, therefore, applies specialized accounting guidance in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 "Financial Services – Investment Companies" (ASC Topic 946). The following is a summary of the significant accounting policies of the Series Account.

Security Valuation

Mutual fund investments held by the Investment Divisions are valued at the reported net asset values of such underlying mutual funds, which value their investment securities at fair value.

The Series Account classifies its valuations into three levels based upon the observability of inputs to the valuation of the Series Account's investments. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying investment. Classification is based on the lowest level of input significant to the fair value measurement. The three levels are defined as follows:

Level 1 – Unadjusted quoted prices for identical securities in active markets.

Level 2 – Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly. These may include quoted prices for similar assets in active markets.

Level 3 – Unobservable inputs to the extent observable inputs are not available and may include prices obtained from single broker quotes. Unobservable inputs reflect the reporting entity's own assumptions and would be based on the best information available under the circumstances.

As of December 31, 2018, the only investments of each of the Investment Divisions of the Series Account were in underlying mutual funds that are actively traded, therefore 100% of the investments are valued using Level 1 inputs.

Fund of Funds Structure Risk

Since the Series Account invests directly in underlying funds, all risks associated with the eligible underlying funds apply to the Series Account. To the extent the Series Account invests more of its assets in one underlying fund than another, the Series Account will have greater exposure to the risks of the underlying fund.

Security Transactions and Investment Income

Transactions are recorded on the trade date. Realized gains and losses on sales of investments are determined on the basis of identified cost. Dividend income is recorded on the ex-dividend date and the amounts distributed to the Investment Division for its share of dividends are reinvested in additional full and fractional shares of the related mutual funds.

Contracts in the Payout Phase

Net assets of each Investment Division allocated to contracts in the payout phase are computed according to the 2000 Individual Annuitant Mortality Table. The assumed investment return is 4.5 percent. The mortality risk is fully borne by the Company and may result in additional amounts being transferred into the series annuity account by the Company to cover greater longevity of annuitants than expected. Conversely, if amounts allocated exceed amounts required, transfers may be made to the Company. Any adjustments to these amounts are reflected in Adjustments to net assets allocated to contracts in payout phase on the Statement of Changes in Net Assets of the applicable Investment Divisions.

Federal Income Taxes

The operations of each of the Investment Divisions of the Series Account are included in the federal income tax return of the Company, which is taxed as a life insurance company under the provisions of the Internal Revenue Code (IRC). The Company is included in the consolidated federal tax return of Great-West Lifeco U.S. Inc. Under the current provisions of the IRC, the Company does not expect to incur federal income taxes on the earnings of each of the Investment Divisions of the Series Account to the extent the earnings are credited under the contracts. Based on this, no charge is being made currently to the Series Account for federal income taxes. The Company will periodically review the status of the federal income tax policy in the event of changes in the tax law. A charge may be made in future years for any federal income taxes that would be attributable to the contracts.

Purchase Payments Received

Purchase payments received from contract owners by the Company are credited as accumulation units, and are reported as Contract Transactions on the Statement of Changes in Net Assets of the applicable Investment Divisions.

Net Transfers

Net transfers include transfers between Investment Divisions of the Series Account as well as transfers between other investment options of the Company, not included in the Series Account.

Application of Recent Accounting Pronouncements

In August 2018, the Financial Accounting Standards Board issued ASU No. 2018-13, "Fair-Value Measurement: Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement" (ASU No. 2018-13). ASU No. 2018-13 modifies the disclosure requirements on fair value measurements in Topic 820, Fair Value Measurement. The disclosure changes in ASU 2018-13 are effective for the first interim or annual period beginning after December 15, 2019. Early adoption is permitted for any eliminated or modified disclosures. Eliminated and modified disclosures have been adopted, and there was no impact to the financial statements.

2. PURCHASES AND SALES OF INVESTMENTS

The cost of purchases and proceeds from sales of investments for the year ended December 31, 2018 were as follows:

Investment Division	Purchases	Sales
AB VPS Growth and Income Portfolio	\$ 2,282,778	\$ 1,923,695
AB VPS Growth Portfolio	6,101,640	3,235,954
AB VPS International Growth Portfolio	145,378	1,421,600
AB VPS International Value Portfolio	41,742	432,843
AB VPS Real Estate Investment Portfolio	2,957,388	3,270,720
AB VPS Small/Mid Cap Value Portfolio	1,067,429	1,338,728
Alger Balanced Portfolio	152,794	21,975
Alger Capital Appreciation Portfolio	1,992,109	554,686
Alger Large Cap Growth Portfolio	12,423,328	5,710,865
Alger Mid Cap Growth Portfolio	1,692,763	1,455,104
ALPS Red Rocks Listed Private Equity Portfolio	118,276	94,126
American Century Investments VP Balanced Fund	5,504,636	3,485,642
American Century Investments VP Income & Growth Fund	1,914,077	1,053,699
American Century Investments VP International Fund	2,432,704	1,918,116
American Century Investments VP Mid Cap Value Fund	2,498,043	2,331,417
American Century Investments VP Value Fund	3,068,252	5,290,034
American Funds IS Global Growth Fund	575,288	116,646
American Funds IS Growth-Income Fund	1,722,183	153,913
American Funds IS International Fund	1,192,193	96,928
American Funds IS New World Fund	2,512,064	331,637
BlackRock Global Allocation VI Fund	3,023,903	825,631
ClearBridge Variable Large Cap Growth Portfolio	642,584	92,764
ClearBridge Variable Mid Cap Portfolio	30,814	4,270
ClearBridge Variable Small Cap Growth Portfolio	2,411,910	919,604
Columbia Variable Portfolio - Large Cap Growth Fund	1,397,637	892,695
Columbia Variable Portfolio - Seligman Global Technology Fund	5,420,924	8,588,123
Columbia Variable Portfolio - Small Cap Value Fund	687,676	1,736,500
Delaware VIP Emerging Markets Series	2,256,248	2,687,172
Delaware VIP International Value Equity Series	282,498	29,308
Delaware VIP Small Cap Value Series	2,740,797	3,285,297
Delaware VIP Smid Cap Core Series	5,463,485	1,888,409
Delaware VIP Value Series	484,934	61,500
Dimensional VA US Targeted Value Portfolio	1,728,599	1,704,396
Dreyfus IP MidCap Stock Portfolio	1,773,257	1,022,317
Dreyfus VIF Appreciation Portfolio	1,394,280	1,501,665
Dreyfus VIF Growth and Income Portfolio	878,790	810,309
Dreyfus VIF Opportunistic Small Cap Portfolio	117,605	13,926
DWS Capital Growth VIP	6,355,381	3,917,888
DWS Core Equity VIP	5,877,294	2,309,522
DWS CROCI® U.S. VIP	709,873	1,248,096
DWS Global Small Cap VIP	680,836	414,026
DWS Small Cap Index VIP	7,040,506	4,026,267
DWS Small Mid Cap Growth VIP	1,172,415	335,491

Investment Division	Purchases	Sales
DWS Small Mid Cap Value VIP	\$ 875,115	\$ 760,593
Federated Fund for U.S. Government Securities II	3,319,128	5,548,619
Federated Managed Tail Risk Fund II	60,093	1,767,972
Federated Managed Volatility Fund II	1,703,697	150,912
Franklin Small Cap Value VIP Fund	1,606,981	1,471,637
Goldman Sachs VIT Multi-Strategy Alternatives Portfolio	116,375	10,199
Great-West Aggressive Profile Fund	41,072	52
Great-West Ariel Mid Cap Value Fund	6,148	24,621
Great-West Bond Index Fund	1,535,924	87,367
Great-West Conservative Profile Fund	2,496,555	156,463
Great-West Invesco Small Cap Value Fund	149,478	22,279
Great-West Lifetime 2015 Fund	5,436	9
Great-West Lifetime 2020 Fund	6,162,355	53,083
Great-West Lifetime 2025 Fund	494,253	43,127
Great-West Lifetime 2030 Fund	73,530	82
Great-West Lifetime 2035 Fund	81,057	141
Great-West Lifetime 2050 Fund	45,382	8
Great-West Lifetime 2055 Fund	18,222	3
Great-West Mid Cap Value Fund	214,940	65,366
Great-West Moderate Profile Fund	3,396,481	13,816
Great-West Moderately Aggressive Profile Fund	293,931	38,451
Great-West Moderately Conservative Profile Fund	341,089	93,799
Great-West Multi-Sector Bond Fund	1,960,030	234,633
Great-West SecureFoundation® Balanced Fund	26,659,590	13,346,918
Great-West T. Rowe Price Mid Cap Growth Fund	1,120,953	94,258
Invesco V.I. Comstock Fund	2,790,474	2,385,151
Invesco V.I. Core Equity Fund	254,033	905,745
Invesco V.I. Growth & Income Fund	1,974,335	1,528,531
Invesco V.I. High Yield Fund	1,972,819	1,203,853
Invesco V.I. International Growth Fund	2,544,221	3,305,900
Invesco V.I. Mid Cap Core Equity Fund	301,375	333,274
Invesco V.I. Small Cap Equity Fund	904,115	1,282,089
Invesco V.I. Technology Fund	1,215,559	953,375
Ivy VIP International Core Equity	982,873	245,039
Janus Henderson VIT Balanced Portfolio Institutional Shares	2,436,088	1,298,096
Janus Henderson VIT Balanced Portfolio Service Shares	20,210,426	9,477,021
Janus Henderson VIT Flexible Bond Portfolio Institutional Shares	2,792,435	4,802,769
Janus Henderson VIT Flexible Bond Portfolio Service Shares	3,612,455	6,753,568
Janus Henderson VIT Global Research Portfolio	2,839,778	1,097,610
Janus Henderson VIT Global Technology Portfolio Institutional Shares	286,904	157,173
Janus Henderson VIT Global Technology Portfolio Service Shares	6,976,892	4,283,620
Janus Henderson VIT Overseas Portfolio Institutional Shares	61,634	441,788
Janus Henderson VIT Overseas Portfolio Service Shares	696,268	1,010,598
Janus Henderson VIT Research Portfolio	405,111	843,444
JPMorgan Insurance Trust Small Cap Core Portfolio	2,638,000	2,143,054
Lazard Retirement Emerging Markets Equity Portfolio	3,434,397	5,164,264
LVIP Baron Growth Opportunities Fund	2,935,854	3,528,789
MFS VIT II International Value Portfolio	6,342,125	4,543,366
MFS VIT III Mid Cap Value Portfolio	343,881	3,487
MFS VIT Utilities Series	854,532	2,533,120

Investment Division	Purchases	Sales
Morgan Stanley VIF U.S. Real Estate Portfolio	\$ 617,906	\$ 1,577,187
Neuberger Berman AMT Mid Cap Intrinsic Value Portfolio	301,949	225,148
Neuberger Berman AMT Socially Responsive Portfolio	64,526	353,476
NVIT Mid Cap Index Fund	4,943,794	4,480,542
Oppenheimer Global Fund/VA	6,042,676	6,313,418
Oppenheimer International Growth Fund/VA	4,459,762	4,131,555
Oppenheimer Main Street Small Cap Fund/VA	1,939,227	339,504
Pimco VIT Commodity RealReturn Strategy Portfolio	550,312	186,043
Pimco VIT Emerging Markets Bond Portfolio	461,880	50,584
Pimco VIT High Yield Portfolio	8,527,319	12,886,782
Pimco VIT Low Duration Portfolio	20,798,261	15,941,572
Pimco VIT Real Return Portfolio	1,137,469	256,652
Pimco VIT Total Return Portfolio	23,502,057	17,188,766
Pioneer Bond VCT Portfolio	101,044	196
Pioneer Fund VCT Portfolio	1,052,763	535,492
Pioneer Mid Cap Value VCT Portfolio	242,901	289,655
Pioneer Select Mid Cap Growth VCT Portfolio	2,722,510	891,809
Prudential Series Fund Equity Portfolio	526,547	547,226
Prudential Series Fund Natural Resources Portfolio	—	59,536
Putnam VT Equity Income Fund	2,799,685	2,455,993
Putnam VT Global Asset Allocation Fund	1,075,776	300,657
Putnam VT Global Health Care Fund	1,159,990	1,326,981
Putnam VT Income Fund	5,311,145	2,575,412
Putnam VT International Equity Fund	645,021	91,157
Putnam VT International Value Fund	439,107	97,479
Putnam VT Mortgage Securities Fund	1,078,062	2,265,402
Putnam VT Mult-Cap Core Fund	516,480	505,136
Putnam VT Small Cap Value Fund	36,171	36,117
Royce Capital Fund - Small-Cap Portfolio	142,917	321,102
Schwab Government Money Market Portfolio	106,298,452	65,852,067
Schwab MarketTrack Growth Portfolio II	13,429,371	27,768,572
Schwab S&P 500 Index Portfolio	60,175,244	45,962,368
Schwab VIT Balanced Portfolio	2,457,079	97,635
Schwab VIT Balanced with Growth Portfolio	2,112,460	22,404
Schwab VIT Growth Portfolio	2,581,489	224,204
T. Rowe Price Health Sciences Portfolio	1,415,301	73,919
T. Rowe Price Health Sciences Portfolio Class II	643,519	241,094
Templeton Foreign VIP Fund	811,897	1,578,825
Templeton Global Bond VIP Fund	2,322,626	1,196,973
Third Avenue Value Portfolio	34,015	242,700
TVST Touchstone Bond Fund	898,934	1,836,989
TVST Touchstone Common Stock Fund	5,708,249	1,386,241
TVST Touchstone Focused Fund	1,042,188	1,074,991
TVST Touchstone Small Company Fund	2,932,901	691,202
Van Eck VIP Global Hard Assets Fund	1,804,591	1,907,659
Van Eck VIP Unconstrained Emerging Markets Bond Fund	686,822	1,042,220
Vanguard VIF Capital Growth Portfolio	2,736,164	1,854,162
Vanguard VIF Diversified Value Portfolio	2,052,985	1,121,721
Vanguard VIF Mid-Cap Index Portfolio	5,537,086	940,583
Vanguard VIF Real Estate Index Portfolio	1,244,414	576,530
Vanguard VIF Small Company Growth Portfolio	2,208,526	629,569

Investment Division	Purchases	Sales
Wells Fargo VT Discovery Fund	\$ 2,283,456	\$ 1,951,993
Wells Fargo VT Omega Growth Fund	984,795	537,744
Wells Fargo VT Opportunity Fund	729,384	867,783

3. EXPENSES AND RELATED PARTY TRANSACTIONS

Contract Maintenance Charges

The Company deducts, from each participant account in the Schwab Select Annuity contract, a \$25 annual maintenance charge on accounts under \$50,000 as of each contract's anniversary date. This charge is recorded as Contract charges on the Statement of Changes in Net Assets of the applicable Investment Divisions.

Transfer Fees

The Company charges \$10 in the Schwab Select Annuity contract for each transfer between Investment Divisions in excess of 12 transfers in any calendar year. This charge is recorded as Transfers for contract benefits and terminations on the Statement of Changes in Net Assets of the applicable Investment Divisions.

Deductions for Premium Taxes

The Company may deduct from each contribution in any applicable state premium tax or retaliatory tax, which currently ranges from 0% to 3.5%. This charge is netted with Purchase payments received on the Statement of Changes in Net Assets of the applicable Investment Divisions.

Deductions for Assumption of Mortality and Expense Risks

The Company assumes mortality and expense risks related to the operations of the Series Account. It deducts a daily charge from the unit value of each Investment Division of the Schwab Select Annuity contract, equal to an annual rate of 0.85%; a daily charge from the unit value of each Investment Division of the Schwab OneSource Annuity contract, equal to an annual rate of 0.65% to 0.85%, depending on the date the contract was issued and the death benefit option chosen; a daily charge from the unit value of each Investment Division of Schwab Advisor Choice Annuity contract equal to an annual rate of 0.49% to 0.69%, depending on the death benefit option chosen; and a daily charge from the unit value of each Investment Division of Schwab OneSource Choice Annuity contract equal to an annual rate of 0.65% to 0.85%, depending on the death benefit option chosen. The level of these charges is guaranteed and will not change. The charges are recorded as Mortality and expense risk in the Statement of Operations of the applicable Investment Divisions.

Optional GLWB Rider Benefit Fee

The Company deducts a quarterly charge equal to a maximum annual rate of 1.50% from the covered fund value in Schwab Advisor Choice and Schwab OneSource Choice annuity contracts for the guaranteed lifetime withdrawal benefit rider if this option is chosen. Currently, this charge is 0.95% for Schwab Advisor Choice annuity contracts signed before May 1, 2017, and 0.90% for Schwab Advisor Choice annuity contracts signed on or after May 1, 2017; and 1.00% for Schwab OneSource Choice annuity contracts signed before May 1, 2017, and 0.90% for Schwab OneSource Choice annuity contracts signed on or after May 1, 2017. This charge is recorded as Contract charges on the Statement of Changes in Net Assets of the applicable Investment Division, if applicable.

If the above charges prove insufficient to cover actual costs and assumed risks, the loss will be borne by the Company; conversely, if the amounts deducted prove more than sufficient, the excess will be a profit to the Company.

Related Party Transactions

Great-West Funds, Inc., funds of which are underlying certain Investment Divisions, is a registered investment company affiliated with the Company. Great-West Capital Management, LLC (GWCM), a wholly owned subsidiary of the Company, serves as investment adviser to Great-West Funds, Inc. Fees are assessed against the average daily net assets of the portfolios of Great-West Funds, Inc. to compensate GWCM for investment advisory services.

4. FINANCIAL HIGHLIGHTS

For each Investment Division, the accumulation units outstanding, net assets, investment income ratio, the range of lowest to highest expense ratio (excluding expenses of the underlying funds), total return and accumulation unit fair values for each year or period ended December 31 are included on the following pages. As the unit fair value for the Investment Divisions of the Series Account are presented as a range of minimum to maximum values, based on the product grouping representing the minimum and maximum expense ratio amounts, some unit values shown on the Statement of Assets and Liabilities which are calculated on an aggregated basis, may not be within the ranges presented.

The Expense Ratios represent the annualized contract expenses of the respective Investment Divisions of the Series Account, consisting of mortality and expense charges, for each period indicated. The ratios include only those expenses that result in a direct reduction to unit values. Charges made directly to contract owner accounts through the redemption of units and expenses of the underlying fund have been excluded.

The Total Return amounts represent the total return for the periods indicated, including changes in the value of the underlying fund, and expenses assessed through the reduction of unit values. These returns do not include any expenses assessed through the redemption of units. Investment Divisions with a date notation indicate the effective date that the investment option was available in the Series Account. The total returns are calculated for each 12-month period indicated or from the effective date through the end of the reporting period and are not annualized for periods less than one year. When a new Investment Division is added to the Series Account, the calculation of the total return begins on the day it is added even though it may not have had operations for all or some of the same period. Unit values and returns for bands or Investment Divisions that had no operations activity during the reporting period are not shown. As the total returns for the Investment Divisions are presented as a range of minimum to maximum values, based on the product grouping representing the minimum and maximum expense ratio amounts, some individual contract total returns are not within the ranges presented.

The Investment Income Ratio represents the dividends, excluding distributions of capital gains, received by the Investment Division from the underlying mutual fund divided by average net assets during the period. It is not annualized for periods less than one year. The ratio excludes those expenses, such as mortality and expense charges, that result in direct reductions in the unit values. The recognition of investment income by the Investment Division is affected by the timing of the declaration of dividends by the underlying fund in which the Investment Division invests.

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS		At December 31				For the year or period ended December 31			
		Units (000s)	Unit Fair Value		Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)		Total Return
INVESTMENT DIVISIONS									
AB VPS GROWTH AND INCOME PORTFOLIO									
2018	352	\$	27.07	to \$	13.24	\$ 7,517	0.98 %	0.49 % to 0.85 %	(6.41) % to (6.07) %
2017	373	\$	28.93	to \$	14.10	\$ 8,647	1.44 %	0.49 % to 0.85 %	17.92 % to 18.35 %
2016	415	\$	24.53	to \$	11.91	\$ 8,104	1.07 %	0.49 % to 0.85 %	10.36 % to 10.76 %
2015	378	\$	22.23	to \$	10.76	\$ 6,820	1.43 %	0.49 % to 0.85 %	0.84 % to 1.20 %
2014	360	\$	22.04	to \$	10.62	\$ 6,889	1.31 %	0.65 % to 0.85 %	8.62 % to 6.20 %
AB VPS GROWTH PORTFOLIO									
2018	358	\$	34.49	to \$	16.76	\$ 7,477	0.00 %	0.49 % to 0.85 %	3.13 % to 3.51 %
2017	270	\$	33.44	to \$	16.20	\$ 5,556	0.00 %	0.49 % to 0.85 %	33.37 % to 33.85 %
2016	168	\$	25.08	to \$	12.10	\$ 2,940	0.00 %	0.49 % to 0.85 %	0.26 % to 0.62 %
2015	134	\$	25.01	to \$	12.03	\$ 2,389	0.00 %	0.49 % to 0.85 %	8.14 % to 8.52 %
2014	89	\$	23.13	to \$	16.98	\$ 1,627	0.00 %	0.65 % to 0.85 %	12.34 % to 12.52 %
AB VPS INTERNATIONAL GROWTH PORTFOLIO									
2018	457	\$	14.68	to \$	9.55	\$ 6,835	0.68 %	0.49 % to 0.85 %	(18.12) % to (17.82) %
2017	531	\$	17.93	to \$	11.62	\$ 9,691	1.15 %	0.49 % to 0.85 %	33.89 % to 34.37 %
2016	634	\$	13.39	to \$	8.65	\$ 8,560	0.00 %	0.49 % to 0.85 %	(7.66) % to (7.33) %
2015	719	\$	14.51	to \$	9.34	\$10,575	0.34 %	0.49 % to 0.85 %	(2.70) % to (2.34) %
2014	909	\$	14.91	to \$	9.56	\$13,824	0.00 %	0.49 % to 0.85 %	(2.04) % to (4.40) %
AB VPS INTERNATIONAL VALUE PORTFOLIO									
(Effective date 05/01/2006)									
2018	273	\$	7.50	to \$	7.69	\$ 2,093	1.46 %	0.65 % to 0.85 %	(23.45) % to (23.29) %
2017	315	\$	9.79	to \$	10.02	\$ 3,154	2.15 %	0.65 % to 0.85 %	24.37 % to 24.61 %
2016	348	\$	7.87	to \$	8.04	\$ 2,794	1.21 %	0.65 % to 0.85 %	(1.34) % to (1.14) %
2015	422	\$	7.98	to \$	8.14	\$ 3,427	2.38 %	0.65 % to 0.85 %	1.72 % to 1.93 %
2014	476	\$	7.85	to \$	7.98	\$ 3,794	3.46 %	0.65 % to 0.85 %	(6.99) % to (6.88) %
AB VPS REAL ESTATE INVESTMENT PORTFOLIO									
2018	439	\$	37.79	to \$	12.09	\$16,287	1.91 %	0.49 % to 0.85 %	(4.95) % to (4.60) %
2017	458	\$	39.76	to \$	12.68	\$18,457	1.78 %	0.49 % to 0.85 %	5.64 % to 6.01 %
2016	486	\$	37.64	to \$	11.96	\$19,183	1.65 %	0.49 % to 0.85 %	6.85 % to 7.24 %
2015	513	\$	35.22	to \$	11.15	\$18,927	1.55 %	0.49 % to 0.85 %	(0.05) % to 0.31 %
2014	452	\$	35.24	to \$	11.12	\$20,079	2.87 %	0.49 % to 0.85 %	24.30 % to 11.20 %
AB VPS SMALL/MID CAP VALUE PORTFOLIO									
(Effective date 05/01/2006)									
2018	246	\$	20.94	to \$	11.66	\$ 4,733	0.48 %	0.49 % to 0.85 %	(15.75) % to (15.45) %
2017	279	\$	24.85	to \$	13.79	\$ 6,335	0.46 %	0.49 % to 0.85 %	12.19 % to 12.60 %
2016	339	\$	22.15	to \$	12.25	\$ 7,050	0.60 %	0.49 % to 0.85 %	24.04 % to 24.48 %
2015	331	\$	17.86	to \$	9.84	\$ 5,665	0.76 %	0.49 % to 0.85 %	(6.29) % to (5.94) %
2014	334	\$	19.06	to \$	10.45	\$ 6,396	0.71 %	0.65 % to 0.85 %	8.30 % to 4.50 %
ALGER BALANCED PORTFOLIO									
2018	44	\$	19.90	to \$	19.39	\$ 864	4.12 %	0.65 % to 0.85 %	(4.15) % to (3.96) %
2017	44	\$	20.76	to \$	20.19	\$ 914	2.90 %	0.65 % to 0.85 %	14.47 % to 14.70 %
2016	46	\$	18.14	to \$	17.61	\$ 831	1.98 %	0.65 % to 0.85 %	7.59 % to 7.81 %
2015	46	\$	16.86	to \$	16.33	\$ 782	2.04 %	0.65 % to 0.85 %	0.61 % to 0.81 %
2014	48	\$	16.76	to \$	16.20	\$ 811	1.98 %	0.65 % to 0.85 %	8.55 % to 8.72 %
ALGER CAPITAL APPRECIATION PORTFOLIO									
(Effective date 05/01/2015)									
2018	147	\$	12.82	to \$	12.99	\$ 1,901	0.11 %	0.49 % to 0.85 %	(0.95) % to (0.59) %
2017	70	\$	12.94	to \$	13.06	\$ 907	0.19 %	0.49 % to 0.85 %	29.97 % to 30.43 %
2016	44	\$	9.98	to \$	10.01	\$ 435	0.28 %	0.49 % to 0.69 %	(0.18) % to 0.02 %
2015	16	\$	10.00	to \$	10.01	\$ 162	0.12 %	0.49 % to 0.69 %	(0.01) % to 0.13 %

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS	At December 31			For the year or period ended December 31		
	Units (000s)	Unit Fair Value	Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)	Total Return
INVESTMENT DIVISIONS						
ALGER LARGE CAP GROWTH PORTFOLIO						
2018	949	\$ 42.00 to \$ 13.90	\$27,635	0.00 %	0.49 % to 0.85 %	1.34 % to 1.71 %
2017	929	\$ 41.45 to \$ 13.66	\$25,738	0.00 %	0.49 % to 0.85 %	27.38 % to 27.84 %
2016	960	\$ 32.54 to \$ 10.69	\$21,261	0.00 %	0.49 % to 0.85 %	(1.67) % to (1.32) %
2015	1,101	\$ 33.09 to \$ 10.83	\$25,296	0.00 %	0.49 % to 0.85 %	0.86 % to 1.22 %
2014	1,060	\$ 32.81 to \$ 10.70	\$24,990	0.16 %	0.49 % to 0.85 %	10.06 % to 7.00 %
ALGER MID CAP GROWTH PORTFOLIO						
2018	156	\$ 27.44 to \$ 12.39	\$ 4,314	0.00 %	0.49 % to 0.85 %	(8.23) % to (7.90) %
2017	168	\$ 29.91 to \$ 13.46	\$ 5,045	0.00 %	0.49 % to 0.85 %	28.70 % to 29.16 %
2016	166	\$ 23.24 to \$ 10.42	\$ 3,863	0.00 %	0.49 % to 0.85 %	0.12 % to 0.47 %
2015	206	\$ 23.21 to \$ 10.34	\$ 4,789	0.00 %	0.65 % to 0.85 %	(2.40) % to (2.20) %
2014	253	\$ 23.78 to \$ 23.74	\$ 5,993	0.00 %	0.65 % to 0.85 %	7.12 % to 7.32 %
ALPS RED ROCKS LISTED PRIVATE EQUITY PORTFOLIO						
(Effective date 04/29/2016)						
2018	13	\$ 11.44 to \$ 11.55	\$ 147	5.26 %	0.49 % to 0.85 %	(12.96) % to (12.65) %
2017	12	\$ 13.15 to \$ 13.22	\$ 154	4.80 %	0.49 % to 0.85 %	24.43 % to 24.88 %
2016	1	\$ 10.58 to \$ 10.59	\$ 9	5.78 %	0.49 % to 0.65 %	5.78 % to 5.89 %
AMERICAN CENTURY INVESTMENTS VP BALANCED FUND						
2018	1,445	\$ 22.67 to \$ 11.74	\$24,050	1.43 %	0.49 % to 0.85 %	(4.65) % to (4.30) %
2017	1,306	\$ 23.78 to \$ 12.27	\$23,527	1.56 %	0.49 % to 0.85 %	12.95 % to 13.36 %
2016	1,096	\$ 21.05 to \$ 10.83	\$18,762	1.58 %	0.49 % to 0.85 %	6.09 % to 6.47 %
2015	1,075	\$ 19.84 to \$ 10.17	\$18,077	1.74 %	0.49 % to 0.85 %	(3.40) % to (3.05) %
2014	892	\$ 20.54 to \$ 10.49	\$17,084	1.46 %	0.49 % to 0.85 %	8.91 % to 4.90 %
AMERICAN CENTURY INVESTMENTS VP INCOME & GROWTH FUND						
2018	358	\$ 26.54 to \$ 12.61	\$ 6,745	1.94 %	0.49 % to 0.85 %	(7.66) % to (7.32) %
2017	334	\$ 28.74 to \$ 13.60	\$ 7,100	2.37 %	0.49 % to 0.85 %	19.47 % to 19.90 %
2016	352	\$ 24.05 to \$ 11.35	\$ 6,252	2.37 %	0.49 % to 0.85 %	12.53 % to 12.93 %
2015	310	\$ 21.38 to \$ 10.05	\$ 5,120	2.13 %	0.49 % to 0.85 %	(6.42) % to (6.09) %
2014	267	\$ 22.84 to \$ 10.70	\$ 5,031	2.03 %	0.49 % to 0.85 %	11.52 % to 7.00 %
AMERICAN CENTURY INVESTMENTS VP INTERNATIONAL FUND						
2018	373	\$ 24.66 to \$ 9.70	\$ 5,785	1.27 %	0.49 % to 0.85 %	(15.95) % to (15.63) %
2017	361	\$ 29.33 to \$ 11.50	\$ 6,928	0.78 %	0.49 % to 0.85 %	30.10 % to 30.57 %
2016	310	\$ 22.55 to \$ 8.81	\$ 4,729	1.03 %	0.49 % to 0.85 %	(6.30) % to (5.97) %
2015	279	\$ 24.06 to \$ 9.37	\$ 4,832	0.36 %	0.49 % to 0.85 %	(0.10) % to 0.27 %
2014	249	\$ 24.09 to \$ 9.34	\$ 4,572	1.65 %	0.49 % to 0.85 %	(6.30) % to (6.60) %
AMERICAN CENTURY INVESTMENTS VP MID CAP VALUE FUND						
(Effective date 05/01/2009)						
2018	418	\$ 29.43 to \$ 12.56	\$ 9,942	1.26 %	0.49 % to 0.85 %	(13.70) % to (13.39) %
2017	431	\$ 34.10 to \$ 14.51	\$12,118	1.40 %	0.49 % to 0.85 %	10.53 % to 10.92 %
2016	434	\$ 30.85 to \$ 13.08	\$11,551	1.58 %	0.49 % to 0.85 %	21.68 % to 22.12 %
2015	334	\$ 25.36 to \$ 10.71	\$ 7,558	1.49 %	0.49 % to 0.85 %	(2.41) % to (2.06) %
2014	333	\$ 25.98 to \$ 10.92	\$ 8,296	1.02 %	0.65 % to 0.85 %	15.26 % to 9.20 %
AMERICAN CENTURY INVESTMENTS VP VALUE FUND						
2018	883	\$ 27.11 to \$ 11.99	\$21,822	1.66 %	0.49 % to 0.85 %	(9.93) % to (9.59) %
2017	961	\$ 30.10 to \$ 13.26	\$26,603	1.65 %	0.49 % to 0.85 %	7.83 % to 8.22 %
2016	1,112	\$ 27.91 to \$ 12.25	\$28,673	1.79 %	0.49 % to 0.85 %	19.46 % to 19.89 %
2015	1,033	\$ 23.37 to \$ 10.22	\$22,654	2.11 %	0.49 % to 0.85 %	(4.70) % to (4.36) %
2014	1,150	\$ 24.52 to \$ 10.69	\$27,598	1.52 %	0.49 % to 0.85 %	12.12 % to 6.90 %

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**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS	At December 31				For the year or period ended December 31			
	Units	Unit Fair Value	Net Assets (000s)	Investment Income	Expense Ratio	Total Return		
	(000s)			Ratio	(lowest to highest)			
INVESTMENT DIVISIONS								
AMERICAN FUNDS IS GLOBAL GROWTH FUND								
(Effective date 05/29/2014)								
2018	112	\$ 12.88 to \$ 13.00	\$ 1,448	1.11 %	0.49 % to 0.69 %	(9.44) % to (9.26) %		
2017	86	\$ 14.22 to \$ 14.32	\$ 1,233	0.96 %	0.49 % to 0.69 %	30.90 % to 31.16 %		
2016	69	\$ 10.86 to \$ 10.92	\$ 755	1.26 %	0.49 % to 0.69 %	0.18 % to 0.39 %		
2015	49	\$ 10.85 to \$ 10.88	\$ 535	1.74 %	0.49 % to 0.69 %	6.50 % to 6.71 %		
2014	12	\$ 10.18 to \$ 10.20	\$ 121	2.34 %	0.49 % to 0.69 %	1.80 % to 2.00 %		
AMERICAN FUNDS IS GROWTH-INCOME FUND								
(Effective date 04/30/2018)								
2018	146	\$ 9.46 to \$ 9.48	\$ 1,384	1.56 %	0.49 % to 0.85 %	(5.43) % to (5.20) %		
AMERICAN FUNDS IS INTERNATIONAL FUND								
(Effective date 04/28/2017)								
2018	146	\$ 9.99 to \$ 10.03	\$ 1,466	2.62 %	0.49 % to 0.69 %	(13.73) % to (13.56) %		
2017	54	\$ 11.58 to \$ 11.60	\$ 627	1.38 %	0.49 % to 0.69 %	15.84 % to 16.00 %		
AMERICAN FUNDS IS NEW WORLD FUND								
(Effective date 04/29/2016)								
2018	251	\$ 11.32 to \$ 11.43	\$ 2,865	1.21 %	0.49 % to 0.85 %	(14.77) % to (14.46) %		
2017	86	\$ 13.28 to \$ 13.36	\$ 1,150	1.44 %	0.49 % to 0.85 %	28.35 % to 28.82 %		
2016	31	\$ 10.34 to \$ 10.37	\$ 324	0.86 %	0.49 % to 0.85 %	3.44 % to 3.69 %		
BLACKROCK GLOBAL ALLOCATION VI FUND								
(Effective date 05/01/2014)								
2018	790	\$ 10.45 to \$ 10.63	\$ 8,399	1.05 %	0.49 % to 0.85 %	(8.13) % to (7.79) %		
2017	631	\$ 11.38 to \$ 11.53	\$ 7,293	1.47 %	0.49 % to 0.85 %	12.90 % to 13.30 %		
2016	483	\$ 10.21 to \$ 10.17	\$ 4,944	1.39 %	0.49 % to 0.85 %	3.24 % to 3.60 %		
2015	422	\$ 9.89 to \$ 9.82	\$ 4,175	1.38 %	0.49 % to 0.85 %	(1.55) % to (1.20) %		
2014	145	\$ 10.04 to \$ 9.94	\$ 1,456	3.49 %	0.49 % to 0.85 %	0.40 % to (0.60) %		
CLEARBRIDGE VARIABLE LARGE CAP GROWTH PORTFOLIO								
(Effective date 04/30/2018)								
2018	51	\$ 9.55 to \$ 9.56	\$ 489	0.32 %	0.49 % to 0.69 %	(4.52) % to (4.39) %		
CLEARBRIDGE VARIABLE MID CAP PORTFOLIO								
(Effective date 04/29/2016)								
2018	16	\$ 10.72 to \$ 10.78	\$ 177	0.53 %	0.65 % to 0.85 %	(13.26) % to (13.09) %		
2017	15	\$ 12.36 to \$ 12.40	\$ 180	0.51 %	0.65 % to 0.85 %	11.85 % to 12.07 %		
2016	10	\$ 11.06 to \$ 11.06	\$ 111	0.49 %	0.65 % to 0.69 %	10.62 % to 10.65 %		
CLEARBRIDGE VARIABLE SMALL CAP GROWTH PORTFOLIO								
(Effective date 05/01/2015)								
2018	168	\$ 12.68 to \$ 12.85	\$ 2,160	0.00 %	0.49 % to 0.85 %	2.55 % to 2.93 %		
2017	82	\$ 12.42 to \$ 12.49	\$ 1,027	0.00 %	0.49 % to 0.69 %	23.41 % to 23.66 %		
2016	70	\$ 10.06 to \$ 10.10	\$ 711	0.00 %	0.49 % to 0.69 %	5.08 % to 5.29 %		
COLUMBIA VARIABLE PORTFOLIO - LARGE CAP GROWTH FUND								
(Effective date 04/29/2016)								
2018	181	\$ 12.64 to \$ 12.76	\$ 2,307	0.00 %	0.49 % to 0.85 %	(4.96) % to (4.61) %		
2017	146	\$ 13.30 to \$ 13.38	\$ 1,940	0.00 %	0.49 % to 0.85 %	26.76 % to 27.22 %		
2016	147	\$ 10.49 to \$ 10.52	\$ 1,539	0.00 %	0.49 % to 0.85 %	4.90 % to 5.15 %		
COLUMBIA VARIABLE PORTFOLIO - SELIGMAN GLOBAL TECHNOLOGY FUND								
(Effective date 03/11/2011)								
2018	422	\$ 23.66 to \$ 18.29	\$ 9,818	0.00 %	0.49 % to 0.85 %	(9.23) % to (8.90) %		
2017	591	\$ 26.07 to \$ 20.08	\$15,282	0.00 %	0.49 % to 0.85 %	33.78 % to 34.26 %		
2016	459	\$ 19.48 to \$ 14.95	\$ 8,952	0.00 %	0.49 % to 0.85 %	18.01 % to 18.43 %		
2015	483	\$ 16.51 to \$ 12.63	\$ 7,961	0.00 %	0.49 % to 0.85 %	8.88 % to 9.29 %		

2014	488	\$	15.16	to	\$	11.54	\$	7,408	0.00	%	0.65	%	to	0.85	%	24.06	%	to	15.40	%
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**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS	At December 31				For the year or period ended December 31					
	Units (000s)	Unit Fair Value	Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)	Total Return				
INVESTMENT DIVISIONS										
COLUMBIA VARIABLE PORTFOLIO - SMALL CAP VALUE FUND										
(Effective date 05/01/2009)										
2018	73	\$	24.76	to \$	11.50	\$	1,473	0.18 %	0.49 % to 0.85 %	(18.86) % to (18.57) %
2017	119	\$	30.51	to \$	14.12	\$	3,148	0.28 %	0.49 % to 0.85 %	13.02 % to 13.43 %
2016	134	\$	3.249	to \$	12.45	\$	3,249	0.35 %	0.49 % to 0.85 %	31.62 % to 32.10 %
2015	63	\$	20.51	to \$	9.42	\$	1,047	0.59 %	0.49 % to 0.85 %	(7.11) % to (6.78) %
2014	44	\$	22.08	to \$	10.11	\$	965	0.55 %	0.49 % to 0.85 %	2.17 % to 1.10 %
DELAWARE VIP EMERGING MARKETS SERIES										
(Effective date 05/01/2014)										
2018	347	\$	10.39	to \$	10.08	\$	3,560	3.61 %	0.49 % to 0.85 %	(16.52) % to (16.23) %
2017	397	\$	12.45	to \$	12.04	\$	4,896	0.43 %	0.49 % to 0.85 %	39.36 % to 39.87 %
2016	178	\$	8.93	to \$	8.60	\$	1,576	1.04 %	0.49 % to 0.85 %	12.98 % to 13.37 %
2015	140	\$	7.91	to \$	7.59	\$	1,096	0.61 %	0.49 % to 0.85 %	(15.23) % to (14.92) %
2014	40	\$	9.33	to \$	8.92	\$	367	0.00 %	0.49 % to 0.85 %	(6.70) % to (10.80) %
DELAWARE VIP INTERNATIONAL VALUE EQUITY SERIES										
(Effective date 04/30/2018)										
2018	29	\$	8.25	to \$	8.26	\$	236	0.00 %	0.65 % to 0.69 %	(17.46) % to (17.44) %
DELAWARE VIP SMALL CAP VALUE SERIES										
2018	532	\$	35.10	to \$	11.58	\$	\$17,870	0.84 %	0.49 % to 0.85 %	(17.43) % to (17.13) %
2017	568	\$	42.51	to \$	13.98	\$	\$23,740	0.84 %	0.49 % to 0.85 %	11.10 % to 11.51 %
2016	576	\$	38.26	to \$	12.54	\$	\$22,467	0.98 %	0.49 % to 0.85 %	30.30 % to 30.76 %
2015	599	\$	29.37	to \$	9.59	\$	\$18,348	0.73 %	0.49 % to 0.85 %	(7.01) % to (6.68) %
2014	639	\$	31.58	to \$	10.26	\$	\$21,925	0.55 %	0.65 % to 0.85%	4.95 % to 2.60 %
DELAWARE VIP SMID CAP CORE SERIES										
2018	353	\$	32.33	to \$	13.25	\$	8,576	0.17 %	0.49 % to 0.85 %	(12.87) % to (12.55) %
2017	297	\$	37.11	to \$	15.15	\$	9,097	0.31 %	0.49 % to 0.85 %	17.65 % to 18.07 %
2016	317	\$	31.54	to \$	12.83	\$	8,345	0.24 %	0.49 % to 0.85 %	7.38 % to 7.77 %
2015	311	\$	29.37	to \$	11.90	\$	7,855	0.37 %	0.49 % to 0.85 %	6.63 % to 7.01 %
2014	258	\$	27.55	to \$	11.12	\$	6,520	0.07 %	0.49 % to 0.85 %	2.30 % to 11.20 %
DELAWARE VIP VALUE SERIES										
(Effective date 04/28/2017)										
2018	41	\$	10.64	to \$	10.70	\$	438	1.40 %	0.49 % to 0.85 %	(3.56) % to (3.21) %
2017	5	\$	11.03	to \$	11.04	\$	51	0.00 %	0.65 % to 0.85 %	10.30 % to 10.45 %
DIMENSIONAL VA US TARGETED VALUE PORTFOLIO										
(Effective date 05/29/2014)										
2018	155	\$	10.99	to \$	11.09	\$	1,720	0.82 %	0.49 % to 0.69 %	(16.45) % to (16.28) %
2017	161	\$	13.15	to \$	13.25	\$	2,132	1.29 %	0.49 % to 0.69 %	9.01 % to 9.23 %
2016	115	\$	12.06	to \$	12.13	\$	1,391	1.43 %	0.49 % to 0.69 %	26.62 % to 26.88 %
2015	69	\$	9.53	to \$	9.56	\$	658	1.59 %	0.49 % to 0.69 %	(5.88) % to (5.69) %
2014	25	\$	10.12	to \$	10.14	\$	249	1.66 %	0.49 % to 0.69 %	1.20 % to 1.40 %
DREYFUS IP MIDCAP STOCK PORTFOLIO										
2018	149	\$	28.91	to \$	11.61	\$	2,722	0.63 %	0.49 % to 0.85 %	(16.21) % to (15.90) %
2017	118	\$	34.50	to \$	13.80	\$	2,917	1.09 %	0.49 % to 0.85 %	14.41 % to 14.81 %
2016	101	\$	30.15	to \$	12.02	\$	2,385	1.05 %	0.49 % to 0.85 %	14.49 % to 14.91 %
2015	102	\$	26.34	to \$	10.46	\$	2,123	0.57 %	0.49 % to 0.85 %	(3.12) % to (2.77) %
2014	77	\$	27.18	to \$	10.76	\$	1,837	0.82 %	0.49 % to 0.85 %	11.12 % to 7.60 %
DREYFUS VIF APPRECIATION PORTFOLIO										
2018	351	\$	23.21	to \$	12.65	\$	7,764	1.24 %	0.49 % to 0.85 %	(7.64) % to (7.31) %
2017	408	\$	25.13	to \$	13.65	\$	9,774	1.34 %	0.49 % to 0.85 %	26.26 % to 26.72 %
2016	455	\$	19.90	to \$	10.77	\$	8,667	1.63 %	0.49 % to 0.85 %	6.99 % to 7.38 %
2015	550	\$	18.60	to \$	10.03	\$	9,795	1.65 %	0.49 % to 0.85 %	(3.29) % to (2.95) %

2014

724

§

19.24

to \$

10.33

\$13,589

1.84 %

0.65 %

to

0.85 %

7.19 %

to

3.30 %

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS		At December 31				For the year or period ended December 31					
		Units (000s)	Unit Fair Value		Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)		Total Return		
INVESTMENT DIVISIONS											
DREYFUS VIF GROWTH AND INCOME PORTFOLIO											
2018	253	\$	27.29	to \$	13.35	\$ 4,629	0.80 %	0.49 %	to 0.85 %	(5.50) %	to (5.15) %
2017	271	\$	28.87	to \$	14.07	\$ 5,280	0.76 %	0.49 %	to 0.85 %	18.70 %	to 19.12 %
2016	233	\$	24.33	to \$	11.81	\$ 4,058	1.20 %	0.49 %	to 0.85 %	9.10 %	to 9.50 %
2015	248	\$	22.30	to \$	10.79	\$ 3,955	0.86 %	0.49 %	to 0.85 %	0.73 %	to 1.09 %
2014	229	\$	22.14	to \$	10.66	\$ 3,881	0.76 %	0.65 %	to 0.85 %	9.17 %	to 6.60 %
DREYFUS VIF OPPORTUNISTIC SMALL CAP PORTFOLIO											
2018	29	\$	21.32	to \$	18.95	\$ 561	0.00 %	0.65 %	to 0.85 %	(19.80) %	to (19.60) %
2017	29	\$	26.59	to \$	23.57	\$ 707	0.00 %	0.65 %	to 0.85 %	23.63 %	to 23.88 %
2016	31	\$	21.51	to \$	19.02	\$ 594	0.00 %	0.65 %	to 0.85 %	16.09 %	to 16.31 %
2015	34	\$	18.53	to \$	16.36	\$ 563	0.00 %	0.65 %	to 0.85 %	(3.09) %	to (2.91) %
2014	38	\$	19.12	to \$	16.85	\$ 649	0.00 %	0.65 %	to 0.85 %	0.74 %	to 0.96 %
DWS CAPITAL GROWTH VIP											
2018	979	\$	33.14	to \$	15.23	\$22,824	0.71 %	0.49 %	to 0.85 %	(2.43) %	to (2.08) %
2017	954	\$	33.97	to \$	15.56	\$23,204	0.71 %	0.49 %	to 0.85 %	25.24 %	to 25.68 %
2016	903	\$	27.12	to \$	12.38	\$18,274	0.86 %	0.49 %	to 0.85 %	3.36 %	to 3.74 %
2015	1,114	\$	26.24	to \$	11.93	\$21,734	0.67 %	0.49 %	to 0.85 %	7.70 %	to 8.09 %
2014	941	\$	24.36	to \$	11.04	\$17,261	0.61 %	0.49 %	to 0.85 %	12.00 %	to 10.40 %
DWS CORE EQUITY VIP											
2018	522	\$	26.42	to \$	14.12	\$11,275	1.79 %	0.49 %	to 0.85 %	(6.49) %	to (6.15) %
2017	481	\$	28.25	to \$	15.04	\$11,572	1.20 %	0.49 %	to 0.85 %	19.99 %	to 20.43 %
2016	489	\$	23.55	to \$	12.49	\$10,104	1.40 %	0.49 %	to 0.85 %	9.55 %	to 9.94 %
2015	536	\$	21.49	to \$	11.36	\$10,410	0.78 %	0.49 %	to 0.85 %	4.36 %	to 4.73 %
2014	491	\$	20.60	to \$	10.84	\$ 9,474	1.08 %	0.65 %	to 0.85 %	10.87 %	to 8.40 %
DWS CROCI® U.S. VIP											
2018	358	\$	16.83	to \$	10.07	\$ 5,774	2.52 %	0.49 %	to 0.85 %	(11.26) %	to (10.94) %
2017	422	\$	18.97	to \$	11.31	\$ 7,661	1.55 %	0.49 %	to 0.85 %	21.85 %	to 22.28 %
2016	489	\$	15.57	to \$	9.25	\$ 7,357	1.09 %	0.49 %	to 0.85 %	(5.20) %	to (4.85) %
2015	636	\$	16.42	to \$	9.72	\$10,185	1.58 %	0.49 %	to 0.85 %	(7.66) %	to (7.32) %
2014	799	\$	17.78	to \$	10.49	\$14,278	1.59 %	0.49 %	to 0.85 %	9.75 %	to 4.90 %
DWS GLOBAL SMALL CAP VIP											
(Effective date 05/01/2014)											
2018	110	\$	9.05	to \$	9.19	\$ 1,000	0.26 %	0.49 %	to 0.85 %	(21.19) %	to (20.90) %
2017	99	\$	11.47	to \$	11.62	\$ 1,139	0.00 %	0.49 %	to 0.85 %	19.01 %	to 19.44 %
2016	62	\$	9.65	to \$	9.73	\$ 599	0.41 %	0.49 %	to 0.85 %	0.72 %	to 1.07 %
2015	44	\$	9.58	to \$	9.62	\$ 423	0.62 %	0.49 %	to 0.85 %	0.30 %	to 0.67 %
2014	10	\$	9.55	to \$	9.56	\$ 94	0.00 %	0.49 %	to 0.85 %	(4.50) %	to (4.40) %
DWS SMALL CAP INDEX VIP											
2018	1,052	\$	31.89	to \$	12.19	\$22,089	0.93 %	0.49 %	to 0.85 %	(11.99) %	to (11.67) %
2017	921	\$	36.23	to \$	13.80	\$23,817	0.95 %	0.49 %	to 0.85 %	13.36 %	to 13.77 %
2016	820	\$	31.96	to \$	12.13	\$20,603	1.07 %	0.49 %	to 0.85 %	20.01 %	to 20.43 %
2015	780	\$	26.63	to \$	10.07	\$17,720	1.04 %	0.49 %	to 0.85 %	(5.40) %	to (5.06) %
2014	726	\$	28.15	to \$	10.61	\$18,614	0.93 %	0.49 %	to 0.85 %	3.84 %	to 6.10 %
DWS SMALL MID CAP GROWTH VIP											
2018	103	\$	23.19	to \$	12.04	\$ 1,524	0.00 %	0.49 %	to 0.85 %	(14.32) %	to (14.02) %
2017	80	\$	27.06	to \$	14.00	\$ 1,468	0.09 %	0.49 %	to 0.85 %	21.09 %	to 21.52 %
2016	73	\$	22.35	to \$	11.52	\$ 1,153	0.00 %	0.49 %	to 0.85 %	8.15 %	to 8.54 %
2015	77	\$	20.67	to \$	10.62	\$ 1,182	0.00 %	0.49 %	to 0.85 %	(1.74) %	to (1.38) %
2014	41	\$	21.03	to \$	10.76	\$ 640	0.00 %	0.49 %	to 0.85 %	4.78 %	to 7.60 %

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS

At December 31

For the year or period ended December 31

INVESTMENT DIVISIONS

DWS SMALL MID CAP VALUE VIP

(Effective date 05/01/2006)

2018	202	\$	17.01	to \$	10.74	\$ 3,307	1.36 %	0.49 %	to	0.85 %	(16.73) %	to	(16.43) %
2017	234	\$	20.42	to \$	12.86	\$ 4,625	0.72 %	0.49 %	to	0.85 %	9.98 %	to	9.98 %
2016	293	\$	18.64	to \$	11.69	\$ 5,399	0.63 %	0.49 %	to	0.85 %	15.90 %	to	16.32 %
2015	322	\$	16.08	to \$	10.05	\$ 5,143	0.29 %	0.49 %	to	0.85 %	(2.74) %	to	(2.39) %
2014	338	\$	16.53	to \$	10.29	\$ 5,664	0.82 %	0.65 %	to	0.85 %	4.62 %	to	2.90 %
FEDERATED FUND FOR U.S. GOVERNMENT SECURITIES II													
2018	1,873	\$	20.03	to \$	10.39	\$29,587	2.45 %	0.49 %	to	0.85 %	(0.40) %	to	(0.05) %
2017	2,049	\$	20.11	to \$	10.40	\$32,457	2.49 %	0.49 %	to	0.85 %	1.07 %	to	1.43 %
2016	2,473	\$	19.90	to \$	10.25	\$38,225	2.42 %	0.49 %	to	0.85 %	0.75 %	to	1.10 %
2015	2,381	\$	19.75	to \$	10.14	\$37,772	2.70 %	0.49 %	to	0.85 %	(0.33) %	to	0.03 %
2014	2,100	\$	19.82	to \$	10.14	\$35,765	2.85 %	0.49 %	to	0.85 %	3.77 %	to	1.40 %
FEDERATED MANAGED VOLATILITY FUND II													
2018	87	\$	22.67	to \$	22.67	\$ 2,003	1.54 %	0.85 %	to	0.85 %	(9.27) %	to	(9.27) %
2017	26	\$	24.99	to \$	24.99	\$ 658	3.93 %	0.85 %	to	0.85 %	17.11 %	to	17.11 %
2016	29	\$	21.34	to \$	21.34	\$ 642	4.84 %	0.85 %	to	0.85 %	6.78 %	to	6.78 %
2015	33	\$	19.98	to \$	19.98	\$ 681	4.30 %	0.85 %	to	0.85 %	(8.34) %	to	(8.34) %
2014	34	\$	21.80	to \$	21.80	\$ 769	3.25 %	0.85 %	to	0.85 %	3.02 %	to	3.02 %

FRANKLIN SMALL CAP VALUE VIP FUND

(Effective date 05/01/2006)

[illegible]

(Effective date 04/29/2016)

2018

[illegible]

(Effective date 05/01/2015)

2018

2017	23	\$	11.36	to \$	11.42	\$	2.58	2.70	%	0.49	%	to	0.69	%	14.22	%	to	14.45	%
2016	1	\$	9.94	to \$	9.94	\$	9	0.60	%	0.69	%	to	0.69	%	12.28	%	to	12.28	%

2018

GREAT-WEST CONSERVATION

[illegible]

2018

2017

GREAI-WEST LIFETIME 2015 FUND
(Effective date 04/30/2018)

2018

1 \$

9.59 to \$ 9.59

\$ 5

1.48 %

0.49 % to 0.49 %

(4.12) % to (4.12) %

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS	At December 31			For the year or period ended December 31		
	Units (000s)	Unit Fair Value	Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)	Total Return
INVESTMENT DIVISIONS						
GREAT-WEST LIFETIME 2020 FUND (Effective date 04/30/2018)						
2018	575	\$ 9.52 to \$ 9.53	\$ 5,472	2.00 %	0.49 % to 0.65 %	(4.84) % to (4.74) %
GREAT-WEST LIFETIME 2025 FUND (Effective date 04/30/2018)						
2018	42	\$ 9.44 to \$ 9.45	\$ 394	1.56 %	0.49 % to 0.65 %	(5.58) % to (5.48) %
GREAT-WEST LIFETIME 2030 FUND (Effective date 04/30/2018)						
2018	7	\$ 9.33 to \$ 9.33	\$ 67	1.91 %	0.65 % to 0.65 %	(6.66) % to (6.66) %
GREAT-WEST LIFETIME 2035 FUND (Effective date 04/30/2018)						
2018	7	\$ 9.22 to \$ 9.22	\$ 67	1.37 %	0.65 % to 0.65 %	(7.84) % to (7.84) %
GREAT-WEST LIFETIME 2050 FUND (Effective date 04/30/2018)						
2018	5	\$ 9.04 to \$ 9.04	\$ 42	2.21 %	0.49 % to 0.49 %	(9.61) % to (9.61) %
GREAT-WEST LIFETIME 2055 FUND (Effective date 04/30/2018)						
2018	2	\$ 9.02 to \$ 9.02	\$ 17	1.37 %	0.49 % to 0.49 %	(9.75) % to (9.75) %
GREAT-WEST MID CAP VALUE FUND (Effective date 04/29/2016)						
2018	20	\$ 11.57 to \$ 11.64	\$ 237	4.86 %	0.49 % to 0.69 %	(12.91) % to (12.74) %
2017	11	\$ 13.30 to \$ 13.33	\$ 140	16.44 %	0.49 % to 0.65 %	16.23 % to 16.41 %
GREAT-WEST MODERATE PROFILE FUND (Effective date 04/30/2018)						
2018	326	\$ 9.39 to \$ 9.40	\$ 3,059	3.17 %	0.40 % to 0.65 %	(6.06) % to (5.96) %
GREAT-WEST MODERATELY AGGRESSIVE PROFILE FUND (Effective date 04/30/2018)						
2018	24	\$ 9.25 to \$ 9.26	\$ 222	3.02 %	0.49 % to 0.65 %	(7.47) % to (7.37) %
GREAT-WEST MODERATELY CONSERVATIVE PROFILE FUND (Effective date 04/30/2018)						
2018	23	\$ 9.54 to \$ 9.55	\$ 223	1.65 %	0.40 % to 0.65 %	(4.61) % to (4.50) %
GREAT-WEST MULTI-SECTOR BOND FUND (Effective date 04/29/2016)						
2018	399	\$ 10.50 to \$ 10.61	\$ 4,215	2.64 %	0.49 % to 0.85 %	(3.93) % to (3.58) %
2017	249	\$ 10.93 to \$ 11.00	\$ 2,735	1.84 %	0.49 % to 0.85 %	5.38 % to 5.76 %
2016	30	\$ 10.38 to \$ 10.40	\$ 309	1.64 %	0.49 % to 0.85 %	3.76 % to 4.01 %
GREAT-WEST SECUREFOUNDATION® BALANCED FUND (Effective date 05/29/2014)						
2018	14,319	\$ 11.41 to \$ 11.60	\$165,218	2.01 %	0.49 % to 0.85 %	(6.13) % to (5.79) %
2017	14,018	\$ 12.16 to \$ 12.32	\$171,609	2.00 %	0.49 % to 0.85 %	11.99 % to 12.40 %
2016	12,321	\$ 10.86 to \$ 10.96	\$134,403	2.12 %	0.49 % to 0.85 %	7.81 % to 8.19 %
2015	7,901	\$ 10.07 to \$ 10.13	\$ 79,792	2.25 %	0.49 % to 0.85 %	(1.51) % to (1.15) %
2014	2,214	\$ 10.23 to \$ 10.25	\$ 22,657	2.50 %	0.49 % to 0.85 %	2.30 % to 2.50 %
GREAT-WEST T. ROWE PRICE MID CAP GROWTH FUND (Effective date 04/28/2017)						

2018	89	\$	10.92	to	\$	10.95	\$	972	0.12	%	0.49	%	to	0.69	%	(3.00)	%	to	(2.80)	%
2017	9	\$	11.26	to	\$	11.27	\$	102	0.35	%	0.49	%	to	0.65	%	12.59	%	to	12.71	%
INVESCO V.I. COMSTOCK FUND																				
2018	278	\$	20.66	to	\$	11.75	\$	5,148	1.68	%	0.49	%	to	0.85	%	(12.91)	%	to	(12.59)	%
2017	287	\$	23.73	to	\$	13.45	\$	6,121	2.09	%	0.49	%	to	0.85	%	16.85	%	to	17.28	%
2016	294	\$	20.30	to	\$	11.47	\$	5,684	1.48	%	0.49	%	to	0.85	%	16.31	%	to	16.73	%
2015	354	\$	17.46	to	\$	9.82	\$	5,865	1.87	%	0.49	%	to	0.85	%	(6.78)	%	to	(6.45)	%
2014	441	\$	18.73	to	\$	10.50	\$	7,981	1.34	%	0.49	%	to	0.85	%	8.52	%	to	5.00	%

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS			At December 31			For the year or period ended December 31					
			Units (000s)	Unit Fair Value		Net Assets (000s)	Investment Income Ratio		Expense Ratio (lowest to highest)		Total Return
INVESTMENT DIVISIONS											
INVESTCO V.I. CORE EQUITY FUND											
2018	90	\$	31.39	to \$	31.39	\$ 2,878	0.87 %	0.85 %	to 0.85 %	(10.16) %	to (10.16) %
2017	115	\$	34.95	to \$	34.95	\$ 4,067	1.04 %	0.85 %	to 0.85 %	12.22 %	to 12.22 %
2016	121	\$	31.14	to \$	31.14	\$ 3,817	0.76 %	0.85 %	to 0.85 %	9.33 %	to 9.33 %
2015	138	\$	28.48	to \$	28.48	\$ 3,967	1.13 %	0.85 %	to 0.85 %	(6.57) %	to (6.57) %
2014	145	\$	30.48	to \$	30.48	\$ 4,479	0.85 %	0.85 %	to 0.85 %	7.21 %	to 7.21 %
INVESTCO V.I. GROWTH & INCOME FUND											
2018	505	\$	21.39	to \$	11.94	\$ 9,917	2.03 %	0.49 %	to 0.85 %	(14.12) %	to (13.81) %
2017	529	\$	24.91	to \$	13.85	\$12,324	1.52 %	0.49 %	to 0.85 %	13.35 %	to 13.76 %
2016	527	\$	21.97	to \$	12.18	\$11,307	1.11 %	0.49 %	to 0.85 %	18.69 %	to 19.12 %
2015	588	\$	18.51	to \$	10.22	\$10,786	2.86 %	0.49 %	to 0.85 %	(3.88) %	to (3.54) %
2014	634	\$	19.26	to \$	10.60	\$12,394	1.79 %	0.49 %	to 0.85 %	9.37 %	to 6.00 %
INVESTCO V.I. HIGH YIELD FUND											
2018	245	\$	24.31	to \$	10.58	\$ 4,441	5.07 %	0.49 %	to 0.85 %	(4.18) %	to (3.83) %
2017	198	\$	25.37	to \$	11.00	\$ 4,078	4.11 %	0.49 %	to 0.85 %	5.40 %	to 5.79 %
2016	185	\$	24.07	to \$	10.40	\$ 3,728	4.34 %	0.49 %	to 0.85 %	10.28 %	to 10.67 %
2015	195	\$	21.83	to \$	9.40	\$ 3,651	5.60 %	0.49 %	to 0.85 %	(3.99) %	to (3.64) %
2014	158	\$	22.74	to \$	9.75	\$ 3,385	4.67 %	0.49 %	to 0.85 %	0.89 %	to (2.50) %
INVESTCO V.I. INTERNATIONAL GROWTH FUND											
(Effective date 05/01/2006)											
2018	900	\$	13.69	to \$	9.56	\$11,584	1.90 %	0.49 %	to 0.85 %	(15.70) %	to (15.39) %
2017	963	\$	16.23	to \$	11.30	\$14,774	1.48 %	0.49 %	to 0.85 %	21.97 %	to 22.41 %
2016	903	\$	13.31	to \$	9.23	\$11,540	1.36 %	0.49 %	to 0.85 %	(1.30) %	to (0.94) %
2015	977	\$	13.49	to \$	9.32	\$12,808	1.50 %	0.49 %	to 0.85 %	(3.17) %	to (2.82) %
2014	898	\$	13.93	to \$	9.59	\$12,441	1.59 %	0.49 %	to 0.85 %	(0.50) %	to (4.10) %
INVESTCO V.I. MID CAP CORE EQUITY FUND											
(Effective date 05/01/2009)											
2018	358	\$	20.45	to \$	10.88	\$ 1,757	0.49 %	0.49 %	to 0.85 %	(12.11) %	to (11.78) %
2017	102	\$	23.27	to \$	12.33	\$ 2,322	0.53 %	0.49 %	to 0.85 %	13.95 %	to 14.35 %
2016	109	\$	20.42	to \$	10.78	\$ 2,196	0.08 %	0.49 %	to 0.85 %	12.48 %	to 12.89 %
2015	129	\$	18.15	to \$	9.55	\$ 2,300	0.33 %	0.49 %	to 0.85 %	(4.84) %	to (4.50) %
2014	149	\$	19.08	to \$	19.30	\$ 2,865	0.04 %	0.65 %	to 0.85 %	3.58 %	to 3.76 %
INVESTCO V.I. SMALL CAP EQUITY FUND											
(Effective date 05/01/2009)											
2018	87	\$	23.70	to \$	10.60	\$ 2,227	0.00 %	0.49 %	to 0.85 %	(15.80) %	to (15.50) %
2017	155	\$	28.15	to \$	12.55	\$ 3,210	0.00 %	0.49 %	to 0.85 %	13.10 %	to 13.50 %
2016	149	\$	24.89	to \$	11.05	\$ 2,862	0.00 %	0.49 %	to 0.85 %	11.12 %	to 11.51 %
2015	129	\$	22.40	to \$	9.91	\$ 2,478	0.00 %	0.49 %	to 0.85 %	(6.32) %	to (5.98) %
2014	100	\$	23.91	to \$	10.54	\$ 2,385	0.00 %	0.49 %	to 0.85 %	1.49 %	to 5.40 %
INVESTCO V.I. TECHNOLOGY FUND											
2018	346	\$	30.08	to \$	14.91	\$ 3,342	0.00 %	0.49 %	to 0.85 %	(1.30) %	to (0.94) %
2017	350	\$	30.48	to \$	15.05	\$ 3,304	0.00 %	0.49 %	to 0.85 %	33.99 %	to 34.47 %
2016	367	\$	22.74	to \$	11.19	\$ 2,394	0.00 %	0.49 %	to 0.85 %	(1.59) %	to (1.24) %
2015	429	\$	23.11	to \$	11.33	\$ 2,987	0.00 %	0.49 %	to 0.85 %	5.91 %	to 6.29 %
2014	408	\$	21.82	to \$	10.66	\$ 2,361	0.00 %	0.49 %	to 0.85 %	10.09 %	to 6.60 %
IVY VIP INTERNATIONAL CORE EQUITY											
(Effective date 05/01/2015)											
2018	282	\$	8.96	to \$	9.08	\$ 2,557	1.42 %	0.49 %	to 0.85 %	(18.51) %	to (18.22) %
2017	220	\$	10.99	to \$	11.10	\$ 2,436	0.73 %	0.49 %	to 0.85 %	22.11 %	to 22.56 %
2016	31	\$	9.00	to \$	9.06	\$ 284	1.37 %	0.49 %	to 0.85 %	0.23 %	to 0.59 %
2015	14	\$	8.99	to \$	9.00	\$ 129	0.00 %	0.49 %	to 0.69 %	(10.08) %	to (9.96) %

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS

At December 31

For the year or period ended December 31

INVESTMENT DIVISIONS		Units (000s)	Unit Fair Value		Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)		Total Return		
JANUS HENDERSON VIT BALANCED PORTFOLIO INSTITUTIONAL SHARES											
2018	889	\$	29.24	to \$	12.81	\$15,196	2.15 %	0.49 %	to	0.85 %	(0.17) % to 0.19 %
2017	820	\$	29.29	to \$	12.78	\$14,702	1.60 %	0.49 %	to	0.85 %	17.43 % to 17.85 %
2016	844	\$	24.94	to \$	10.85	\$13,001	2.28 %	0.49 %	to	0.85 %	3.72 % to 4.10 %
2015	709	\$	24.05	to \$	10.42	\$11,741	1.95 %	0.49 %	to	0.85 %	(0.23) % to 0.12 %
2014	377	\$	24.11	to \$	10.41	\$ 8,548	1.69 %	0.49 %	to	0.85 %	7.63 % to 4.10 %
JANUS HENDERSON VIT BALANCED PORTFOLIO SERVICE SHARES											
(Effective date 05/01/2007)											
2018	6,059	\$	20.03	to \$	12.57	\$98,770	1.80 %	0.65 %	to	0.85 %	(0.42) % to (0.22) %
2017	5,440	\$	20.12	to \$	12.60	\$92,302	1.42 %	0.65 %	to	0.85 %	17.14 % to 17.37 %
2016	4,739	\$	17.17	to \$	10.73	\$71,902	1.94 %	0.65 %	to	0.85 %	3.45 % to 3.65 %
2015	4,591	\$	16.60	to \$	10.36	\$70,239	1.62 %	0.65 %	to	0.85 %	(0.44) % to (0.24) %
2014	4,357	\$	16.67	to \$	10.38	\$72,208	1.54 %	0.65 %	to	0.85 %	7.27 % to 3.80 %
JANUS HENDERSON VIT FLEXIBLE BOND PORTFOLIO INSTITUTIONAL SHARES											
2018	1,363	\$	22.31	to \$	10.39	\$19,838	3.07 %	0.49 %	to	0.85 %	(1.85) % to (1.49) %
2017	1,518	\$	22.73	to \$	10.55	\$22,725	3.00 %	0.49 %	to	0.85 %	2.74 % to 3.12 %
2016	1,322	\$	22.12	to \$	10.23	\$20,570	2.91 %	0.49 %	to	0.85 %	1.60 % to 1.96 %
2015	1,059	\$	21.77	to \$	10.04	\$18,126	2.38 %	0.49 %	to	0.85 %	(0.63) % to (0.27) %
2014	800	\$	21.91	to \$	10.06	\$16,367	3.38 %	0.49 %	to	0.85 %	4.04 % to 0.60 %
JANUS HENDERSON VIT FLEXIBLE BOND PORTFOLIO SERVICE SHARES											
(Effective date 05/01/2007)											
2018	2,552	\$	15.27	to \$	10.20	\$38,922	2.63 %	0.65 %	to	0.85 %	(2.13) % to (1.93) %
2017	2,795	\$	15.60	to \$	10.40	\$43,710	2.46 %	0.65 %	to	0.85 %	2.48 % to 2.69 %
2016	3,225	\$	15.22	to \$	10.13	\$49,221	2.42 %	0.65 %	to	0.85 %	1.36 % to 1.56 %
2015	3,177	\$	15.02	to \$	9.97	\$47,506	1.89 %	0.65 %	to	0.85 %	(0.91) % to (0.71) %
2014	3,570	\$	15.15	to \$	10.04	\$54,600	3.23 %	0.65 %	to	0.85 %	3.77 % to 0.40 %
JANUS HENDERSON VIT GLOBAL RESEARCH PORTFOLIO											
2018	545	\$	28.93	to \$	11.94	\$10,427	1.17 %	0.49 %	to	0.85 %	(7.66) % to (7.32) %
2017	398	\$	31.33	to \$	12.88	\$ 9,562	0.84 %	0.49 %	to	0.85 %	25.96 % to 26.40 %
2016	356	\$	24.87	to \$	10.19	\$ 7,264	1.09 %	0.49 %	to	0.85 %	1.20 % to 1.58 %
2015	401	\$	24.58	to \$	10.03	\$ 8,191	0.67 %	0.49 %	to	0.85 %	(3.11) % to (2.77) %
2014	412	\$	25.37	to \$	10.32	\$ 8,946	1.09 %	0.49 %	to	0.85 %	6.55 % to 3.20 %
JANUS HENDERSON VIT GLOBAL TECHNOLOGY PORTFOLIO INSTITUTIONAL SHARES											
(Effective date 05/29/2014)											
2018	13	\$	18.41	to \$	18.58	\$ 243	1.02 %	0.49 %	to	0.69 %	0.49 % to 0.69 %
2017	8	\$	18.32	to \$	18.45	\$ 141	0.50 %	0.49 %	to	0.69 %	44.10 % to 44.38 %
2016	11	\$	12.71	to \$	12.78	\$ 144	0.19 %	0.49 %	to	0.69 %	13.42 % to 13.65 %
2015	28	\$	11.21	to \$	11.24	\$ 315	0.56 %	0.49 %	to	0.69 %	4.13 % to 4.33 %
JANUS HENDERSON VIT GLOBAL TECHNOLOGY PORTFOLIO SERVICE SHARES											
(Effective date 05/01/2014)											
2018	371	\$	18.71	to \$	18.25	\$ 6,949	1.09 %	0.65 %	to	0.85 %	0.05 % to 0.25 %
2017	254	\$	18.70	to \$	18.20	\$ 4,761	0.46 %	0.65 %	to	0.85 %	43.69 % to 43.97 %
2016	122	\$	13.02	to \$	12.64	\$ 1,595	0.06 %	0.65 %	to	0.85 %	12.89 % to 13.12 %
2015	86	\$	11.53	to \$	11.18	\$ 993	0.53 %	0.65 %	to	0.85 %	3.76 % to 3.97 %
2014	18	\$	11.11	to \$	11.13	\$ 201	0.00 %	0.65 %	to	0.85 %	11.10 % to 11.30 %

JANUS HENDERSON VIT OVERSEAS PORTFOLIO INSTITUTIONAL
SHARES

2018	123	\$	22.26	to	\$	22.26	\$	2,776	1.78	%	0.85	%	to	0.85	%	(15.67)	%	to	(15.67)	%
2017	139	\$	26.40	to	\$	26.40	\$	3,706	1.65	%	0.85	%	to	0.85	%	30.02	%	to	30.02	%
2016	158	\$	20.31	to	\$	20.31	\$	3,240	4.67	%	0.85	%	to	0.85	%	(7.24)	%	to	(7.24)	%
2015	183	\$	21.89	to	\$	21.89	\$	4,066	0.59	%	0.85	%	to	0.85	%	(9.36)	%	to	(9.36)	%
2014	207	\$	24.15	to	\$	24.15	\$	5,011	5.85	%	0.85	%	to	0.85	%	(12.63)	%	to	(12.63)	%

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS		At December 31			For the year or period ended December 31				
	Units (000s)	Unit Fair Value	Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)		Total Return		
INVESTMENT DIVISIONS									
JANUS HENDERSON VIT OVERSEAS PORTFOLIO SERVICE SHARES (Effective date 05/01/2007)									
2018	143	\$ 8.42	to \$ 8.42	\$ 1,255	1.67 %	0.85 %	to 0.85 %	(15.86) %	to (15.86) %
2017	176	\$ 10.01	to \$ 10.01	\$ 1,836	1.63 %	0.85 %	to 0.85 %	29.69 %	to 29.69 %
2016	186	\$ 7.72	to \$ 7.72	\$ 1,486	4.76 %	0.85 %	to 0.85 %	(7.49) %	to (7.49) %
2015	212	\$ 8.34	to \$ 8.34	\$ 1,795	0.51 %	0.85 %	to 0.85 %	(9.57) %	to (9.57) %
2014	227	\$ 9.22	to \$ 9.22	\$ 2,112	5.75 %	0.85 %	to 0.85 %	(12.85) %	to (12.85) %
JANUS HENDERSON VIT RESEARCH PORTFOLIO									
2018	180	\$ 36.44	to \$ 36.44	\$ 6,805	0.54 %	0.85 %	to 0.85 %	(3.41) %	to (3.41) %
2017	202	\$ 37.72	to \$ 37.72	\$ 7,713	0.39 %	0.85 %	to 0.85 %	26.80 %	to 26.80 %
2016	221	\$ 29.75	to \$ 29.75	\$ 6,640	0.54 %	0.85 %	to 0.85 %	(0.35) %	to (0.35) %
2015	251	\$ 29.86	to \$ 29.86	\$ 7,565	0.63 %	0.85 %	to 0.85 %	4.45 %	to 4.45 %
2014	270	\$ 28.58	to \$ 28.58	\$ 7,776	0.36 %	0.85 %	to 0.85 %	12.03 %	to 12.03 %
JPMORGAN INSURANCE TRUST SMALL CAP CORE PORTFOLIO									
2018	118	\$ 33.49	to \$ 12.32	\$ 2,653	0.35 %	0.49 %	to 0.85 %	(12.68) %	to (12.37) %
2017	108	\$ 38.35	to \$ 14.06	\$ 2,755	0.35 %	0.49 %	to 0.85 %	14.26 %	to 14.67 %
2016	92	\$ 33.56	to \$ 12.26	\$ 2,054	0.54 %	0.49 %	to 0.85 %	19.20 %	to 19.63 %
2015	85	\$ 28.16	to \$ 10.25	\$ 1,651	0.13 %	0.49 %	to 0.85 %	(6.08) %	to (5.75) %
2014	50	\$ 29.98	to \$ 10.88	\$ 1,213	0.12 %	0.49 %	to 0.85 %	8.66 %	to 8.80 %
LAZARD RETIREMENT EMERGING MARKETS EQUITY PORTFOLIO (Effective date 05/01/2009)									
2018	916	\$ 15.77	to \$ 8.80	\$12,524	1.72 %	0.49 %	to 0.85 %	(19.25) %	to (18.96) %
2017	1,021	\$ 19.52	to \$ 10.85	\$17,702	1.76 %	0.49 %	to 0.85 %	26.75 %	to 27.20 %
2016	994	\$ 15.40	to \$ 8.53	\$14,013	1.09 %	0.49 %	to 0.85 %	19.75 %	to 20.20 %
2015	950	\$ 12.86	to \$ 7.10	\$11,429	1.07 %	0.49 %	to 0.85 %	(20.73) %	to (20.45) %
2014	983	\$ 16.23	to \$ 8.92	\$15,683	1.70 %	0.49 %	to 0.85 %	(5.42) %	to (10.80) %
LVP BARON GROWTH OPPORTUNITIES FUND									
2018	531	\$ 43.35	to \$ 12.91	\$19,100	0.00 %	0.49 %	to 0.85 %	(4.75) %	to (4.41) %
2017	556	\$ 45.52	to \$ 13.50	\$21,276	0.00 %	0.49 %	to 0.85 %	26.16 %	to 26.62 %
2016	600	\$ 36.08	to \$ 10.66	\$18,515	0.50 %	0.49 %	to 0.85 %	4.68 %	to 5.05 %
2015	692	\$ 34.47	to \$ 10.15	\$20,247	0.00 %	0.49 %	to 0.85 %	(5.58) %	to (5.23) %
2014	670	\$ 36.50	to \$ 10.70	\$22,761	0.17 %	0.65 %	to 0.85 %	3.96 %	to 7.00 %
MFS VIT II INTERNATIONAL VALUE PORTFOLIO (Effective date 05/01/2009)									
2018	1,810	\$ 24.54	to \$ 11.95	\$34,789	0.91 %	0.49 %	to 0.85 %	(10.49) %	to (10.17) %
2017	1,682	\$ 27.41	to \$ 13.30	\$37,536	1.35 %	0.49 %	to 0.85 %	25.75 %	to 26.20 %
2016	1,515	\$ 21.80	to \$ 10.54	\$27,521	1.16 %	0.49 %	to 0.85 %	2.97 %	to 3.33 %
2015	1,391	\$ 21.17	to \$ 10.20	\$25,542	1.85 %	0.49 %	to 0.85 %	5.42 %	to 5.80 %
2014	1,063	\$ 20.08	to \$ 9.64	\$20,597	1.79 %	0.49 %	to 0.85 %	0.25 %	to (3.60) %
MFS VIT III MID CAP VALUE PORTFOLIO (Effective date 04/28/2017)									
2018	38	\$ 9.59	to \$ 9.65	\$ 367	0.89 %	0.49 %	to 0.85 %	(12.21) %	to (11.88) %
2017	8	\$ 10.92	to \$ 10.95	\$ 85	0.91 %	0.49 %	to 0.85 %	9.21 %	to 9.47 %
MFS VIT UTILITIES SERIES									
2018	363	\$ 15.61	to \$ 10.78	\$ 5,437	0.77 %	0.49 %	to 0.85 %	(0.05) %	to 0.32 %

2017	468	\$	15.61	to	\$	10.75	\$	7.169	4.23	%	0.49	%	to	0.85	%	13.53	%	to	13.94	%
2016	444	\$	13.75	to	\$	9.44	\$	6.055	4.04	%	0.49	%	to	0.85	%	10.30	%	to	10.69	%
2015	447	\$	12.47	to	\$	8.52	\$	5.537	3.37	%	0.49	%	to	0.85	%	(15.48)	%	to	(15.18)	%
2014	614	\$	14.75	to	\$	10.05	\$	9.097	2.02	%	0.49	%	to	0.85	%	11.49	%	to	0.50	%

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**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS		At December 31				For the year or period ended December 31			
INVESTMENT DIVISIONS		Units (000s)	Unit Fair Value		Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)		Total Return
MORGAN STANLEY VIF U.S. REAL ESTATE PORTFOLIO									
2018	97	\$	46.22	to \$	46.22	\$ 4,747	2.91 %	0.85 % to 0.85 %	(8.50) % to (8.50) %
2017	118	\$	50.51	to \$	50.51	\$ 6,281	1.48 %	0.85 % to 0.85 %	2.24 % to 2.24 %
2016	157	\$	49.41	to \$	49.41	\$ 7,919	1.40 %	0.85 % to 0.85 %	5.91 % to 5.91 %
2015	170	\$	46.65	to \$	46.65	\$ 7,999	1.33 %	0.85 % to 0.85 %	1.31 % to 1.31 %
2014	173	\$	46.05	to \$	46.05	\$ 8,039	1.50 %	0.85 % to 0.85 %	28.63 % to 28.63 %
NEUBERGER BERMAN AMT MID CAP INTRINSIC VALUE PORTFOLIO									
(Effective date 05/01/2006)									
2018	52	\$	16.49	to \$	11.06	\$ 791	0.26 %	0.49 % to 0.85 %	(16.20) % to (15.89) %
2017	49	\$	19.68	to \$	13.15	\$ 925	0.44 %	0.49 % to 0.85 %	15.37 % to 15.77 %
2016	54	\$	17.06	to \$	11.35	\$ 874	0.23 %	0.49 % to 0.85 %	15.01 % to 15.42 %
2015	56	\$	14.83	to \$	9.84	\$ 790	0.50 %	0.49 % to 0.85 %	(9.30) % to (8.97) %
2014	22	\$	16.35	to \$	16.64	\$ 396	0.83 %	0.65 % to 0.85 %	12.60 % to 12.81 %
NEUBERGER BERMAN AMT SUSTAINABLE EQUITY PORTFOLIO									
(Effective date 05/01/2015)									
2018	42	\$	11.62	to \$	11.62	\$ 484	0.20 %	0.49 % to 0.49 %	(6.40) % to (6.40) %
2017	66	\$	12.41	to \$	12.41	\$ 818	0.35 %	0.49 % to 0.49 %	17.53 % to 17.53 %
2016	66	\$	10.56	to \$	10.56	\$ 696	0.63 %	0.49 % to 0.49 %	9.10 % to 9.10 %
2015	5	\$	9.68	to \$	9.68	\$ 52	0.00 %	0.49 % to 0.49 %	(3.22) % to (3.22) %
NVIT MID CAP INDEX FUND									
2018	712	\$	34.72	to \$	12.34	\$18,467	1.10 %	0.49 % to 0.85 %	(12.32) % to (12.00) %
2017	734	\$	39.60	to \$	14.03	\$22,734	5.06 %	0.49 % to 0.85 %	14.60 % to 15.01 %
2016	698	\$	34.55	to \$	12.20	\$20,033	1.21 %	0.49 % to 0.85 %	19.00 % to 19.43 %
2015	558	\$	29.04	to \$	10.21	\$14,540	0.85 %	0.49 % to 0.85 %	(3.60) % to (3.25) %
2014	541	\$	30.12	to \$	10.56	\$15,363	0.88 %	0.49 % to 0.85 %	8.27 % to 5.60 %
OPPENHEIMER GLOBAL FUND/V/A									
2018	1,029	\$	33.64	to \$	11.97	\$27,168	0.99 %	0.49 % to 0.85 %	(13.92) % to (13.61) %
2017	1,086	\$	39.08	to \$	13.86	\$34,167	0.93 %	0.49 % to 0.85 %	35.51 % to 36.00 %
2016	1,026	\$	28.84	to \$	10.19	\$25,013	1.06 %	0.49 % to 0.85 %	(0.76) % to (0.41) %
2015	1,244	\$	29.06	to \$	10.23	\$30,284	1.32 %	0.49 % to 0.85 %	3.06 % to 3.44 %
2014	1,192	\$	28.20	to \$	9.89	\$29,837	1.11 %	0.49 % to 0.85 %	1.44 % to (1.10) %
OPPENHEIMER INTERNATIONAL GROWTH FUND/V/A									
2018	872	\$	19.45	to \$	9.10	\$13,090	0.86 %	0.49 % to 0.85 %	(20.10) % to (19.81) %
2017	841	\$	24.35	to \$	11.35	\$16,504	1.39 %	0.49 % to 0.85 %	25.23 % to 25.67 %
2016	771	\$	19.44	to \$	9.03	\$12,849	1.12 %	0.49 % to 0.85 %	(2.95) % to (2.59) %
2015	804	\$	20.03	to \$	9.27	\$14,410	1.13 %	0.49 % to 0.85 %	2.56 % to 2.92 %
2014	715	\$	19.53	to \$	9.01	\$13,541	1.17 %	0.49 % to 0.85 %	(8.01) % to (9.90) %
OPPENHEIMER MAIN STREET SMALL CAP FUND/V/A									
(Effective date 05/01/2014)									
2018	226	\$	12.00	to \$	12.20	\$ 2,758	0.27 %	0.49 % to 0.85 %	(11.09) % to (10.77) %
2017	135	\$	13.50	to \$	13.67	\$ 1,844	0.90 %	0.49 % to 0.85 %	13.19 % to 13.60 %
2016	108	\$	12.07	to \$	12.04	\$ 1,298	0.43 %	0.49 % to 0.85 %	17.06 % to 17.47 %
2015	162	\$	10.31	to \$	10.25	\$ 1,669	0.73 %	0.49 % to 0.85 %	(6.70) % to (6.36) %
2014	21	\$	11.05	to \$	10.93	\$ 230	0.00 %	0.65 % to 0.85 %	10.50 % to 9.30 %
PIMCO VIT COMMODITY REALRETURN STRATEGY PORTFOLIO									
(Effective date 05/01/2014)									
2018	215	\$	5.36	to \$	5.46	\$ 1,166	2.11 %	0.49 % to 0.85 %	(14.87) % to (14.55) %
2017	158	\$	6.29	to \$	6.39	\$ 1,006	11.21 %	0.49 % to 0.85 %	1.30 % to 1.65 %
2016	152	\$	6.23	to \$	6.29	\$ 949	1.27 %	0.49 % to 0.85 %	14.19 % to 14.58 %
2015	69	\$	5.45	to \$	5.49	\$ 376	3.35 %	0.49 % to 0.85 %	(26.34) % to (26.06) %

2014	34	\$	7.39	to	\$	7.42	\$	254	0.28	%	0.49	%	to	0.85	%	(26.10)	%	to	(25.80)	%
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**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS	At December 31					For the year or period ended December 31								
	Units (000s)	Unit Fair Value		Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)		Total Return						
INVESTMENT DIVISIONS														
PIMCO VIT EMERGING MARKETS BOND PORTFOLIO (Effective date 04/28/2017)														
2018	60	\$	9.78	to \$	9.81	\$	583	4.18 %	0.49 %	to	0.69 %	(5.39) %	to	(5.20) %
2017	20	\$	10.33	to \$	10.35	\$	203	3.02 %	0.49 %	to	0.69 %	3.33 %	to	3.47 %
PIMCO VIT HIGH YIELD PORTFOLIO														
2018	1,300	\$	22.34	to \$	11.16	\$	26,828	5.09 %	0.49 %	to	0.85 %	(3.48) %	to	(3.12) %
2017	1,573	\$	23.15	to \$	11.52	\$	33,524	4.87 %	0.49 %	to	0.85 %	5.71 %	to	6.10 %
2016	1,414	\$	21.90	to \$	10.86	\$	30,946	5.22 %	0.49 %	to	0.85 %	11.50 %	to	11.92 %
2015	1,250	\$	19.64	to \$	9.70	\$	25,838	5.24 %	0.49 %	to	0.85 %	(2.47) %	to	(2.13) %
2014	1,632	\$	20.14	to \$	9.91	\$	36,792	5.25 %	0.49 %	to	0.85 %	2.49 %	to	(0.90) %
PIMCO VIT LOW DURATION PORTFOLIO														
2018	6,166	\$	13.33	to \$	10.08	\$	78,136	1.92 %	0.49 %	to	0.85 %	(0.51) %	to	(0.15) %
2017	5,774	\$	13.40	to \$	10.10	\$	74,455	1.34 %	0.49 %	to	0.85 %	0.49 %	to	0.85 %
2016	5,614	\$	13.34	to \$	10.01	\$	73,774	1.49 %	0.49 %	to	0.85 %	0.55 %	to	0.92 %
2015	5,585	\$	13.26	to \$	9.92	\$	73,894	3.42 %	0.49 %	to	0.85 %	(0.54) %	to	(0.18) %
2014	5,881	\$	13.33	to \$	9.94	\$	79,347	1.12 %	0.49 %	to	0.85 %	(0.07) %	to	(0.60) %
PIMCO VIT REAL RETURN PORTFOLIO (Effective date 05/29/2014)														
2018	242	\$	9.96	to \$	9.84	\$	2,387	2.50 %	0.49 %	to	0.85 %	(3.04) %	to	(2.69) %
2017	158	\$	10.27	to \$	10.12	\$	1,599	2.36 %	0.49 %	to	0.85 %	2.79 %	to	3.15 %
2016	89	\$	9.99	to \$	9.81	\$	875	2.01 %	0.49 %	to	0.85 %	(0.10) %	to	4.69 %
2015	85	\$	9.34	to \$	9.37	\$	791	6.39 %	0.49 %	to	0.69 %	(3.37) %	to	(3.18) %
2014	27	\$	9.66	to \$	9.68	\$	258	0.03 %	0.49 %	to	0.69 %	(3.40) %	to	(3.20) %
PIMCO VIT TOTAL RETURN PORTFOLIO														
2018	8,263	\$	16.42	to \$	10.64	\$	119,934	2.55 %	0.49 %	to	0.85 %	(1.38) %	to	(1.01) %
2017	7,789	\$	16.65	to \$	10.75	\$	118,557	2.02 %	0.49 %	to	0.85 %	4.03 %	to	4.40 %
2016	6,632	\$	16.01	to \$	10.30	\$	100,615	2.08 %	0.49 %	to	0.85 %	1.81 %	to	2.18 %
2015	6,795	\$	15.73	to \$	10.08	\$	104,032	4.96 %	0.49 %	to	0.85 %	(0.40) %	to	(0.04) %
2014	6,953	\$	15.79	to \$	10.08	\$	110,569	2.12 %	0.49 %	to	0.85 %	3.41 %	to	0.80 %
PIONEER BOND VCT PORTFOLIO (Effective date 04/30/2018)														
2018	10	\$	10.04	to \$	10.04	\$	100	1.07 %	0.69 %	to	0.69 %	0.39 %	to	0.39 %
PIONEER FUND VCT PORTFOLIO														
2018	117	\$	27.73	to \$	13.73	\$	2,927	1.12 %	0.49 %	to	0.85 %	(2.35) %	to	(1.99) %
2017	121	\$	28.39	to \$	21.94	\$	3,252	1.18 %	0.65 %	to	0.85 %	20.69 %	to	20.93 %
2016	137	\$	23.53	to \$	18.14	\$	3,030	1.32 %	0.65 %	to	0.85 %	8.89 %	to	9.11 %
2015	156	\$	21.61	to \$	16.63	\$	3,115	1.08 %	0.65 %	to	0.85 %	(0.91) %	to	(0.70) %
2014	178	\$	21.80	to \$	16.75	\$	3,594	1.19 %	0.65 %	to	0.85 %	10.10 %	to	10.34 %
PIONEER MID CAP VALUE VCT PORTFOLIO														
2018	86	\$	15.55	to \$	10.36	\$	1,303	0.47 %	0.49 %	to	0.85 %	(20.18) %	to	(19.89) %
2017	96	\$	19.49	to \$	12.94	\$	1,835	0.60 %	0.49 %	to	0.85 %	11.92 %	to	12.31 %
2016	113	\$	17.41	to \$	11.52	\$	1,941	0.46 %	0.49 %	to	0.85 %	15.25 %	to	15.66 %
2015	155	\$	15.11	to \$	9.96	\$	2,339	0.55 %	0.49 %	to	0.85 %	(7.15) %	to	(6.81) %
2014	219	\$	16.27	to \$	16.56	\$	3,618	0.72 %	0.65 %	to	0.85 %	13.86 %	to	14.05 %
PIONEER SELECT MID CAP GROWTH VCT PORTFOLIO (Effective date 05/01/2006)														
2018	261	\$	30.10	to \$	13.35	\$	6,217	0.00 %	0.49 %	to	0.85 %	(7.28) %	to	(6.94) %
2017	197	\$	32.46	to \$	14.35	\$	5,714	0.08 %	0.49 %	to	0.85 %	28.93 %	to	29.40 %
2016	207	\$	25.18	to \$	11.09	\$	4,691	0.00 %	0.49 %	to	0.85 %	2.86 %	to	3.23 %
2015	215	\$	24.48	to \$	10.74	\$	4,752	0.00 %	0.49 %	to	0.85 %	0.77 %	to	1.13 %

2014	235	\$	24.29	to	\$	10.62	\$	5.149	0.00	%	0.49	%	to	0.85	%	8.49	%	to	6.20	%
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**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS

INVESTMENT DIVISIONS

	At December 31			For the year or period ended December 31		
	Units (000s)	Unit Fair Value	Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)	Total Return
PRUDENTIAL SERIES FUND EQUITY PORTFOLIO						
2018	50	\$ 21.08 to \$ 26.99	\$ 1,302	0.00 %	0.65 % to 0.85 %	(6.04) % to (5.85) %
2017	50	\$ 28.17 to \$ 28.66	\$ 1,396	0.00 %	0.65 % to 0.85 %	24.23 % to 24.47 %
2016	67	\$ 22.68 to \$ 10.93	\$ 1,436	0.00 %	0.49 % to 0.85 %	2.48 % to 2.84 %
2015	80	\$ 22.13 to \$ 22.43	\$ 1,653	0.00 %	0.65 % to 0.85 %	1.11 % to 1.31 %
2014	95	\$ 21.89 to \$ 22.14	\$ 1,945	0.00 %	0.65 % to 0.85 %	6.37 % to 6.60 %
PRUDENTIAL SERIES FUND NATURAL RESOURCES PORTFOLIO						
(Effective date 05/01/2009)						
2018	79	\$ 8.43 to \$ 5.11	\$ 630	0.00 %	0.49 % to 0.85 %	(19.11) % to (18.81) %
2017	84	\$ 10.42 to \$ 6.29	\$ 834	0.00 %	0.49 % to 0.85 %	(1.38) % to (1.02) %
2016	94	\$ 10.57 to \$ 6.36	\$ 953	0.00 %	0.49 % to 0.85 %	23.77 % to 24.20 %
2015	108	\$ 8.54 to \$ 5.12	\$ 880	0.00 %	0.49 % to 0.85 %	(29.45) % to (29.19) %
2014	122	\$ 12.10 to \$ 7.23	\$ 1,461	0.00 %	0.49 % to 0.85 %	(20.50) % to (27.70) %
PUTNAM VT EQUITY INCOME FUND						
(Effective date 04/30/2010)						
2018	612	\$ 21.53 to \$ 12.48	\$ 11,559	0.72 %	0.49 % to 0.85 %	(9.27) % to (8.94) %
2017	624	\$ 23.73 to \$ 13.71	\$ 13,005	1.77 %	0.49 % to 0.85 %	17.77 % to 18.19 %
2016	641	\$ 20.15 to \$ 11.60	\$ 12,018	1.79 %	0.49 % to 0.85 %	12.69 % to 13.09 %
2015	722	\$ 17.88 to \$ 10.26	\$ 11,921	1.60 %	0.49 % to 0.85 %	(3.86) % to (3.51) %
2014	640	\$ 18.60 to \$ 10.62	\$ 11,710	1.54 %	0.65 % to 0.85 %	11.71 % to 6.20 %
PUTNAM VT GLOBAL ASSET ALLOCATION FUND						
(Effective date 04/29/2016)						
2018	85	\$ 11.20 to \$ 11.31	\$ 953	2.50 %	0.49 % to 0.85 %	(7.82) % to (7.48) %
2017	29	\$ 12.19 to \$ 12.23	\$ 355	1.17 %	0.49 % to 0.65 %	14.91 % to 15.10 %
2016	14	\$ 10.61 to \$ 10.61	\$ 150	0.00 %	0.65 % to 0.65 %	6.11 % to 6.11 %
PUTNAM VT GLOBAL HEALTH CARE FUND						
(Effective date 05/02/2011)						
2018	217	\$ 19.56 to \$ 12.70	\$ 4,169	1.04 %	0.49 % to 0.85 %	(1.44) % to (1.08) %
2017	267	\$ 19.84 to \$ 12.84	\$ 5,210	0.54 %	0.49 % to 0.85 %	14.33 % to 14.74 %
2016	326	\$ 17.36 to \$ 11.19	\$ 5,686	0.00 %	0.49 % to 0.85 %	(12.10) % to (11.79) %
2015	603	\$ 19.75 to \$ 12.68	\$ 11,723	0.00 %	0.49 % to 0.85 %	6.87 % to 7.27 %
2014	718	\$ 18.48 to \$ 11.81	\$ 13,244	0.23 %	0.65 % to 0.85 %	26.58 % to 18.10 %
PUTNAM VT INCOME FUND						
(Effective date 05/01/2015)						
2018	387	\$ 10.19 to \$ 10.33	\$ 3,978	4.03 %	0.49 % to 0.85 %	(0.49) % to (0.13) %
2017	129	\$ 10.24 to \$ 10.34	\$ 1,330	3.79 %	0.49 % to 0.85 %	5.01 % to 5.39 %
2016	69	\$ 9.75 to \$ 9.81	\$ 679	3.00 %	0.49 % to 0.85 %	1.40 % to 1.76 %
2015	30	\$ 9.62 to \$ 9.64	\$ 288	0.00 %	0.49 % to 0.85 %	(3.80) % to (3.57) %
PUTNAM VT INTERNATIONAL EQUITY FUND						
(Effective date 04/29/2016)						
2018	102	\$ 10.11 to \$ 10.16	\$ 1,036	1.41 %	0.49 % to 0.69 %	(19.51) % to (19.35) %
2017	59	\$ 12.56 to \$ 12.60	\$ 736	1.78 %	0.49 % to 0.69 %	26.06 % to 26.32 %
2016	27	\$ 9.96 to \$ 9.98	\$ 271	0.00 %	0.49 % to 0.69 %	(0.38) % to (0.25) %
PUTNAM VT INTERNATIONAL VALUE FUND						
(Effective date 05/01/2015)						
2018	88	\$ 9.14 to \$ 9.20	\$ 812	2.03 %	0.49 % to 0.69 %	(17.95) % to (17.79) %
2017	59	\$ 11.13 to \$ 11.19	\$ 663	1.75 %	0.49 % to 0.69 %	24.19 % to 24.45 %
2016	48	\$ 8.96 to \$ 8.99	\$ 428	2.08 %	0.49 % to 0.69 %	0.59 % to 0.80 %
2015	18	\$ 8.91 to \$ 8.92	\$ 163	0.00 %	0.49 % to 0.69 %	(10.88) % to (10.76) %

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS

INVESTMENT DIVISIONS									
PUTNAM VT MORTGAGE SECURITIES FUND									
(Effective date 04/30/2010)									
	Units (000s)	Unit Fair Value		Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)		Total Return	
2018	531	\$	10.86	to \$ 9.94	\$ 5,669	2.83 %	0.49 %	to 0.85 %	(1.76) % to (1.39) %
2017	657	\$	11.05	to \$ 10.08	\$ 7,117	2.47 %	0.49 %	to 0.85 %	1.11 % to 1.46 %
2016	1,134	\$	10.93	to \$ 9.94	\$ 12,072	1.99 %	0.49 %	to 0.85 %	(0.65) % to (0.28) %
2015	1,136	\$	11.00	to \$ 9.97	\$ 12,191	2.06 %	0.49 %	to 0.85 %	(1.49) % to (1.14) %
2014	805	\$	11.17	to \$ 10.08	\$ 9,038	2.86 %	0.49 %	to 0.85 %	3.43 % to 0.80 %
PUTNAM VT MULTI-CAP CORE FUND									
(Effective date 05/01/2014)									
2018	56	\$	13.10	to \$ 13.32	\$ 752	1.28 %	0.49 %	to 0.85 %	(8.24) % to (7.90) %
2017	62	\$	14.27	to \$ 14.46	\$ 902	1.25 %	0.49 %	to 0.85 %	22.10 % to 22.54 %
2016	62	\$	11.98	to \$ 11.80	\$ 737	1.56 %	0.49 %	to 0.85 %	11.40 % to 11.80 %
2015	72	\$	10.76	to \$ 10.53	\$ 771	1.52 %	0.65 %	to 0.85 %	(2.79) % to (2.59) %
2014	56	\$	11.06	to \$ 10.81	\$ 614	0.00 %	0.65 %	to 0.85 %	10.60 % to 8.10 %
PUTNAM VT SMALL CAP VALUE FUND									
(Effective date 05/01/2015)									
2018	2	\$	10.07	to \$ 10.15	\$ 25	0.48 %	0.65 %	to 0.85 %	(20.37) % to (20.21) %
2017	3	\$	12.65	to \$ 12.72	\$ 38	1.65 %	0.65 %	to 0.85 %	7.22 % to 7.45 %
2016	1	\$	11.80	to \$ 11.84	\$ 18	1.39 %	0.65 %	to 0.85 %	26.71 % to 26.96 %
ROYCE CAPITAL FUND - SMALL-CAP PORTFOLIO									
(Effective date 05/01/2009)									
2018	137	\$	22.30	to \$ 10.47	\$ 3,092	0.29 %	0.49 %	to 0.85 %	(9.28) % to (8.94) %
2017	145	\$	24.58	to \$ 11.50	\$ 3,605	0.77 %	0.49 %	to 0.85 %	4.22 % to 4.59 %
2016	166	\$	23.58	to \$ 11.00	\$ 3,933	1.53 %	0.49 %	to 0.85 %	19.52 % to 19.95 %
2015	218	\$	19.73	to \$ 9.17	\$ 4,265	0.33 %	0.49 %	to 0.85 %	(12.71) % to (12.40) %
2014	286	\$	22.61	to \$ 10.47	\$ 6,460	0.00 %	0.49 %	to 0.85 %	2.08 % to 4.70 %
SCHWAB GOVERNMENT MONEY MARKET PORTFOLIO									
2018	11,061	\$	12.84	to \$ 9.97	\$ 124,026	1.54 %	0.49 %	to 0.85 %	0.67 % to 1.03 %
2017	7,416	\$	12.76	to \$ 9.87	\$ 83,485	0.44 %	0.49 %	to 0.85 %	(0.41) % to (0.05) %
2016	8,256	\$	12.81	to \$ 9.88	\$ 93,377	0.01 %	0.49 %	to 0.85 %	(0.83) % to (0.47) %
2015	8,804	\$	12.92	to \$ 9.92	\$ 100,169	0.01 %	0.49 %	to 0.85 %	(0.84) % to (0.48) %
2014	8,660	\$	13.03	to \$ 9.97	\$ 99,172	0.01 %	0.49 %	to 0.85 %	(0.84) % to (0.30) %
SCHWAB S&P 500 INDEX PORTFOLIO									
2018	15,012	\$	42.43	to \$ 13.93	\$ 321,809	1.68 %	0.49 %	to 0.85 %	(5.22) % to (4.87) %
2017	13,516	\$	44.76	to \$ 14.64	\$ 328,558	1.63 %	0.49 %	to 0.85 %	20.70 % to 21.13 %
2016	12,396	\$	37.09	to \$ 12.09	\$ 267,910	1.78 %	0.49 %	to 0.85 %	10.74 % to 11.13 %
2015	11,353	\$	33.49	to \$ 10.88	\$ 232,387	1.54 %	0.49 %	to 0.85 %	0.31 % to 0.68 %
2014	9,689	\$	33.39	to \$ 10.80	\$ 217,712	1.45 %	0.49 %	to 0.85 %	12.46 % to 8.00 %
SCHWAB VIT BALANCED PORTFOLIO									
(Effective date 04/29/2016)									
2018	429	\$	10.54	to \$ 10.59	\$ 4,544	1.19 %	0.49 %	to 0.69 %	(5.29) % to (5.10) %
2017	221	\$	11.13	to \$ 11.16	\$ 2,463	0.84 %	0.49 %	to 0.69 %	9.25 % to 9.46 %
2016	18	\$	10.20	to \$ 10.20	\$ 182	0.00 %	0.49 %	to 0.49 %	1.99 % to 1.99 %
SCHWAB VIT BALANCED WITH GROWTH PORTFOLIO									
(Effective date 04/29/2016)									
2018	432	\$	10.81	to \$ 10.87	\$ 4,687	1.37 %	0.49 %	to 0.69 %	(7.35) % to (7.17) %
2017	254	\$	11.67	to \$ 11.71	\$ 2,966	1.31 %	0.49 %	to 0.69 %	12.92 % to 13.15 %
2016	248	\$	10.33	to \$ 10.35	\$ 2,560	0.22 %	0.49 %	to 0.69 %	3.35 % to 3.48 %

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**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS

	At December 31			For the year or period ended December 31		
	Units (000s)	Unit Fair Value	Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)	Total Return
INVESTMENT DIVISIONS						
SCHWAB VIT GROWTH PORTFOLIO						
(Effective date 04/29/2016)						
2018	235	\$ 11.10 to \$ 11.16	\$ 2,627	0.58 %	0.49 % to 0.69 %	(8.99) % to (8.80) %
2017	47	\$ 12.19 to \$ 12.24	\$ 579	1.67 %	0.49 % to 0.69 %	16.33 % to 16.57 %
2016	6	\$ 10.48 to \$ 10.50	\$ 58	0.00 %	0.49 % to 0.69 %	4.82 % to 4.96 %
T. ROWE PRICE HEALTH SCIENCES PORTFOLIO						
(Effective date 05/29/2014)						
2018	97	\$ 15.51 to \$ 15.66	\$ 1,522	0.00 %	0.49 % to 0.69 %	0.41 % to 0.61 %
2017	27	\$ 15.45 to \$ 15.56	\$ 427	0.00 %	0.49 % to 0.69 %	26.71 % to 26.96 %
2016	22	\$ 12.19 to \$ 12.26	\$ 272	0.00 %	0.49 % to 0.69 %	(11.10) % to (10.92) %
2015	37	\$ 13.72 to \$ 13.76	\$ 514	0.00 %	0.49 % to 0.69 %	11.99 % to 12.21 %
2014	5	\$ 12.25 to \$ 12.26	\$ 67	0.00 %	0.49 % to 0.69 %	22.50 % to 22.60 %
T. ROWE PRICE HEALTH SCIENCES PORTFOLIO CLASS II						
(Effective date 05/01/2014)						
2018	129	\$ 15.73 to \$ 15.88	\$ 2,072	0.00 %	0.65 % to 0.85 %	(0.01) % to 0.20 %
2017	112	\$ 15.73 to \$ 15.33	\$ 1,822	0.00 %	0.65 % to 0.85 %	26.24 % to 26.49 %
2016	141	\$ 12.06 to \$ 12.12	\$ 1,762	0.00 %	0.65 % to 0.85 %	(11.47) % to (11.30) %
2015	318	\$ 14.07 to \$ 13.67	\$ 4,468	0.00 %	0.65 % to 0.85 %	11.51 % to 11.74 %
2014	252	\$ 12.62 to \$ 12.23	\$ 3,163	0.00 %	0.65 % to 0.85 %	26.20 % to 22.30 %
TEMPLETON FOREIGN VIP FUND						
(Effective date 04/30/2010)						
2018	637	\$ 11.52 to \$ 8.36	\$ 6,933	2.67 %	0.49 % to 0.85 %	(16.16) % to (15.86) %
2017	716	\$ 13.75 to \$ 9.93	\$ 9,228	2.59 %	0.49 % to 0.85 %	15.71 % to 16.13 %
2016	648	\$ 11.88 to \$ 8.55	\$ 7,223	1.96 %	0.49 % to 0.85 %	6.27 % to 6.66 %
2015	626	\$ 11.18 to \$ 8.02	\$ 6,687	3.20 %	0.49 % to 0.85 %	(7.28) % to (6.95) %
2014	586	\$ 12.06 to \$ 8.62	\$ 6,973	1.79 %	0.49 % to 0.85 %	(11.84) % to (13.80) %
TEMPLETON GLOBAL BOND VIP FUND						
(Effective date 05/01/2014)						
2018	942	\$ 9.74 to \$ 9.90	\$ 9,391	0.00 %	0.49 % to 0.85 %	1.07 % to 1.43 %
2017	821	\$ 9.64 to \$ 9.76	\$ 8,093	0.00 %	0.49 % to 0.85 %	1.07 % to 1.43 %
2016	667	\$ 9.71 to \$ 9.63	\$ 6,521	0.00 %	0.49 % to 0.85 %	2.07 % to 2.44 %
2015	780	\$ 9.52 to \$ 9.40	\$ 7,426	7.55 %	0.49 % to 0.85 %	(5.12) % to (4.77) %
2014	505	\$ 10.03 to \$ 9.87	\$ 5,061	0.78 %	0.49 % to 0.85 %	0.30 % to (1.30) %
THIRD AVENUE VALUE PORTFOLIO						
(Effective date 05/01/2006)						
2018	131	\$ 9.53 to \$ 9.78	\$ 1,286	1.81 %	0.65 % to 0.85 %	(21.02) % to (20.86) %
2017	150	\$ 12.07 to \$ 12.35	\$ 1,853	0.81 %	0.65 % to 0.85 %	12.64 % to 12.86 %
2016	173	\$ 10.72 to \$ 10.95	\$ 1,896	0.79 %	0.65 % to 0.85 %	11.28 % to 11.50 %
2015	265	\$ 9.63 to \$ 9.82	\$ 2,605	3.33 %	0.65 % to 0.85 %	(9.66) % to (9.49) %
2014	301	\$ 10.66 to \$ 10.85	\$ 3,268	2.96 %	0.65 % to 0.85 %	3.50 % to 3.73 %
TVST TOUCHSTONE BOND FUND						
(Effective date 05/01/2009)						
2018	640	\$ 12.58 to \$ 9.85	\$ 7,336	2.16 %	0.49 % to 0.85 %	(2.71) % to (2.36) %
2017	731	\$ 12.94 to \$ 10.09	\$ 8,628	0.00 %	0.49 % to 0.85 %	2.80 % to 3.17 %
2016	902	\$ 12.58 to \$ 9.78	\$ 10,350	1.82 %	0.49 % to 0.85 %	(0.04) % to 0.32 %
2015	1,048	\$ 12.59 to \$ 9.75	\$ 12,354	3.07 %	0.49 % to 0.85 %	(2.12) % to (1.76) %
2014	925	\$ 12.86 to \$ 9.92	\$ 11,780	4.80 %	0.49 % to 0.85 %	3.13 % to (0.80) %

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**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS

INVESTMENT DIVISIONS													
TVST TOUCHSTONE COMMON STOCK FUND													
(Effective date 05/01/2009)													
	Units (000s)	Unit Fair Value		Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)		Total Return					
2018	327	\$	28.80	to \$	13.07	\$	8,816	1.26 %	0.49 %	to 0.85 %	(8.83) %	to	(8.50) %
2017	375	\$	31.59	to \$	14.29	\$	\$10,741	0.01 %	0.49 %	to 0.85 %	20.48 %	to	20.91 %
2016	363	\$	26.22	to \$	11.82	\$	\$ 8,846	1.67 %	0.49 %	to 0.85 %	10.32 %	to	10.71 %
2015	385	\$	23.77	to \$	10.67	\$	\$ 8,574	2.67 %	0.49 %	to 0.85 %	(0.66) %	to	(0.30) %
2014	405	\$	23.93	to \$	10.71	\$	\$ 9,610	1.59 %	0.49 %	to 0.85 %	9.42 %	to	7.10 %
TVST TOUCHSTONE FOCUSED FUND													
(Effective date 05/01/2009)													
2018	144	\$	28.93	to \$	12.90	\$	\$ 3,510	0.46 %	0.49 %	to 0.85 %	(8.76) %	to	(8.43) %
2017	142	\$	31.70	to \$	14.09	\$	\$ 3,950	0.54 %	0.49 %	to 0.85 %	12.68 %	to	13.09 %
2016	140	\$	28.14	to \$	12.46	\$	\$ 3,558	0.00 %	0.49 %	to 0.85 %	12.16 %	to	12.56 %
2015	140	\$	25.09	to \$	11.07	\$	\$ 3,344	0.00 %	0.49 %	to 0.85 %	1.11 %	to	1.47 %
2014	124	\$	24.81	to \$	10.91	\$	\$ 3,066	0.00 %	0.49 %	to 0.85 %	12.11 %	to	9.10 %
TVST TOUCHSTONE SMALL COMPANY FUND													
(Effective date 05/01/2009)													
2018	277	\$	31.03	to \$	13.46	\$	\$ 6,249	0.00 %	0.49 %	to 0.85 %	(8.76) %	to	(8.43) %
2017	212	\$	34.00	to \$	14.69	\$	\$ 5,473	0.06 %	0.49 %	to 0.85 %	18.12 %	to	18.54 %
2016	183	\$	28.79	to \$	12.40	\$	\$ 4,378	0.08 %	0.49 %	to 0.85 %	19.21 %	to	19.64 %
2015	160	\$	24.15	to \$	10.36	\$	\$ 3,310	0.00 %	0.49 %	to 0.85 %	(2.17) %	to	(1.82) %
2014	120	\$	24.69	to \$	10.54	\$	\$ 2,782	0.48 %	0.65 %	to 0.85 %	5.78 %	to	5.40 %
VAN ECK VIP GLOBAL HARD ASSETS FUND													
(Effective date 05/01/2009)													
2018	305	\$	8.21	to \$	4.93	\$	\$ 2,199	0.00 %	0.49 %	to 0.85 %	(29.04) %	to	(28.77) %
2017	317	\$	11.57	to \$	6.92	\$	\$ 3,234	0.00 %	0.49 %	to 0.85 %	(2.80) %	to	(2.45) %
2016	308	\$	11.90	to \$	7.10	\$	\$ 3,354	0.38 %	0.49 %	to 0.85 %	42.20 %	to	42.70 %
2015	319	\$	8.37	to \$	4.97	\$	\$ 2,572	0.03 %	0.49 %	to 0.85 %	(34.19) %	to	(33.94) %
2014	301	\$	12.72	to \$	7.53	\$	\$ 3,823	0.00 %	0.49 %	to 0.85 %	(20.00) %	to	(24.70) %
VAN ECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND													
(Effective date 05/01/2009)													
2018	341	\$	11.06	to \$	8.93	\$	\$ 3,798	7.60 %	0.49 %	to 0.85 %	(6.94) %	to	(6.60) %
2017	401	\$	11.88	to \$	9.56	\$	\$ 4,782	2.44 %	0.49 %	to 0.85 %	11.30 %	to	11.70 %
2016	534	\$	10.68	to \$	8.56	\$	\$ 5,647	0.00 %	0.49 %	to 0.85 %	5.52 %	to	5.90 %
2015	666	\$	10.12	to \$	8.08	\$	\$ 6,743	6.86 %	0.49 %	to 0.85 %	(13.82) %	to	(13.51) %
2014	816	\$	11.74	to \$	9.34	\$	\$ 9,664	4.86 %	0.49 %	to 0.85 %	1.29 %	to	(6.60) %
VANGUARD VIF CAPITAL GROWTH PORTFOLIO													
(Effective date 05/29/2014)													
2018	375	\$	15.50	to \$	15.64	\$	\$ 5,848	0.82 %	0.49 %	to 0.69 %	(1.86) %	to	(1.66) %
2017	337	\$	15.79	to \$	15.91	\$	\$ 5,348	0.95 %	0.49 %	to 0.69 %	27.95 %	to	28.20 %
2016	209	\$	12.34	to \$	12.41	\$	\$ 2,590	1.04 %	0.49 %	to 0.69 %	10.08 %	to	10.30 %
2015	143	\$	11.21	to \$	11.25	\$	\$ 1,608	0.55 %	0.49 %	to 0.69 %	1.92 %	to	2.12 %
2014	27	\$	11.00	to \$	11.01	\$	\$ 292	0.00 %	0.49 %	to 0.69 %	10.00 %	to	10.10 %
VANGUARD VIF DIVERSIFIED VALUE PORTFOLIO													
(Effective date 05/29/2014)													
2018	371	\$	11.41	to \$	11.52	\$	\$ 4,264	2.20 %	0.49 %	to 0.69 %	(9.75) %	to	(9.56) %
2017	319	\$	12.65	to \$	12.74	\$	\$ 4,050	2.11 %	0.49 %	to 0.69 %	12.39 %	to	12.61 %
2016	166	\$	11.25	to \$	11.31	\$	\$ 1,878	2.02 %	0.49 %	to 0.69 %	12.18 %	to	12.41 %
2015	66	\$	10.03	to \$	10.06	\$	\$ 666	1.67 %	0.49 %	to 0.69 %	(3.12) %	to	(2.93) %
2014	15	\$	10.35	to \$	10.37	\$	\$ 159	0.00 %	0.49 %	to 0.69 %	3.50 %	to	3.70 %

(Continued)

**VARIABLE ANNUITY-1 SERIES ACCOUNT OF
GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

FINANCIAL HIGHLIGHTS

	At December 31			For the year or period ended December 31		
	Units (000s)	Unit Fair Value	Net Assets (000s)	Investment Income Ratio	Expense Ratio (lowest to highest)	Total Return
INVESTMENT DIVISIONS						
VANGUARD VIF MID-CAP INDEX PORTFOLIO						
(Effective date 05/29/2014)						
2018	756	\$ 12.43 to \$ 12.55	\$ 9,469	1.00 %	0.49 % to 0.69 %	(9.96) % to (9.78) %
2017	465	\$ 13.81 to \$ 13.91	\$ 6,453	0.94 %	0.49 % to 0.69 %	18.27 % to 18.50 %
2016	270	\$ 11.68 to \$ 11.74	\$ 3,164	1.01 %	0.49 % to 0.69 %	10.35 % to 10.58 %
2015	134	\$ 10.58 to \$ 10.62	\$ 1,425	0.76 %	0.49 % to 0.69 %	(2.11) % to (1.92) %
2014	35	\$ 10.81 to \$ 10.82	\$ 380	0.00 %	0.49 % to 0.69 %	8.10 % to 8.20 %
VANGUARD VIF REAL ESTATE INDEX PORTFOLIO						
(Effective date 05/29/2014)						
2018	294	\$ 11.97 to \$ 12.08	\$ 3,548	3.01 %	0.49 % to 0.69 %	(6.01) % to (5.82) %
2017	257	\$ 12.73 to \$ 12.82	\$ 3,292	2.24 %	0.49 % to 0.69 %	4.06 % to 4.27 %
2016	208	\$ 12.24 to \$ 12.30	\$ 2,551	2.09 %	0.49 % to 0.69 %	7.62 % to 7.83 %
2015	118	\$ 11.37 to \$ 11.41	\$ 1,341	1.47 %	0.49 % to 0.69 %	1.52 % to 1.73 %
2014	40	\$ 11.20 to \$ 11.21	\$ 450	0.00 %	0.49 % to 0.69 %	12.00 % to 12.10 %
VANGUARD VIF SMALL COMPANY GROWTH PORTFOLIO						
(Effective date 05/29/2014)						
2018	241	\$ 13.45 to \$ 13.58	\$ 3,261	0.32 %	0.49 % to 0.69 %	(7.90) % to (7.72) %
2017	163	\$ 14.61 to \$ 14.71	\$ 2,389	0.40 %	0.49 % to 0.69 %	22.62 % to 22.86 %
2016	101	\$ 11.91 to \$ 11.97	\$ 1,207	0.26 %	0.49 % to 0.69 %	14.14 % to 14.38 %
2015	60	\$ 10.44 to \$ 10.47	\$ 624	0.13 %	0.49 % to 0.69 %	(3.42) % to (3.23) %
2014	10	\$ 10.81 to \$ 10.82	\$ 111	0.00 %	0.49 % to 0.69 %	8.10 % to 8.20 %
WELLS FARGO VT DISCOVERY FUND						
2018	255	\$ 40.52 to \$ 13.30	\$ 6,204	0.00 %	0.49 % to 0.85 %	(7.86) % to (7.51) %
2017	285	\$ 43.97 to \$ 14.38	\$ 7,263	0.00 %	0.49 % to 0.85 %	28.04 % to 28.49 %
2016	240	\$ 34.34 to \$ 11.14	\$ 5,202	0.00 %	0.65 % to 0.85 %	6.74 % to 6.95 %
2015	324	\$ 32.17 to \$ 10.44	\$ 6,637	0.00 %	0.49 % to 0.85 %	(2.30) % to (1.94) %
2014	295	\$ 32.93 to \$ 10.64	\$ 6,555	0.00 %	0.65 % to 0.85 %	(0.48) % to 6.40 %
WELLS FARGO VT OMEGA GROWTH FUND						
(Effective date 05/01/2014)						
2018	98	\$ 13.89 to \$ 14.52	\$ 1,388	0.00 %	0.65 % to 0.85 %	(0.58) % to (0.38) %
2017	80	\$ 14.47 to \$ 14.07	\$ 1,144	0.01 %	0.65 % to 0.85 %	33.46 % to 33.73 %
2016	59	\$ 10.84 to \$ 10.53	\$ 630	0.00 %	0.65 % to 0.85 %	(0.33) % to (0.13) %
2015	77	\$ 10.88 to \$ 10.54	\$ 827	0.00 %	0.65 % to 0.85 %	0.49 % to 0.69 %
2014	25	\$ 10.82 to \$ 10.47	\$ 266	0.00 %	0.65 % to 0.85 %	8.20 % to 4.70 %
WELLS FARGO VT OPPORTUNITY FUND						
2018	207	\$ 32.77 to \$ 12.48	\$ 5,484	0.19 %	0.65 % to 0.85 %	(7.94) % to (7.75) %
2017	232	\$ 35.59 to \$ 13.53	\$ 6,625	0.68 %	0.65 % to 0.85 %	19.42 % to 19.67 %
2016	239	\$ 29.81 to \$ 11.31	\$ 5,714	1.96 %	0.65 % to 0.85 %	11.28 % to 11.50 %
2015	282	\$ 26.78 to \$ 10.14	\$ 6,036	0.13 %	0.65 % to 0.85 %	(3.90) % to (3.71) %
2014	328	\$ 27.87 to \$ 23.05	\$ 7,365	0.06 %	0.65 % to 0.85 %	9.47 % to 9.71 %

(Concluded)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Contract Owners of Variable Annuity-1 Series Account and the Board of Directors of Great-West Life & Annuity Insurance Company

Opinion on the Financial Statements

We have audited the accompanying statements of assets and liabilities of the investment divisions listed in Appendix A of the Variable Annuity-1 Series Account of Great-West Life & Annuity Insurance Company (the "Series Account") as of December 31, 2018, the related statements of operations and changes in net assets for the periods indicated in Appendix A, and the related notes. In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the investment divisions constituting the Series Account as of December 31, 2018, the results of their operations and the changes in their net assets for each of the periods indicated in Appendix A, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Series Account's management. Our responsibility is to express an opinion on the Series Account's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Series Account in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Series Account is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Series Account's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2018, by correspondence with mutual fund companies; when replies were not received from mutual fund companies, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ DELOITTE & TOUCHE LLP

Denver, Colorado

April 8, 2019

We have served as the auditor of one or more Great-West investment company separate accounts since 1981.

VARIABLE ANNUITY-1 SERIES ACCOUNT OF GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY

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Investment division	Statement of assets and liabilities	Statement of operations	Statements of changes in net assets
AB VPS GROWTH AND INCOME PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
AB VPS GROWTH PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
AB VPS INTERNATIONAL GROWTH PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
AB VPS INTERNATIONAL VALUE PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
AB VPS REAL ESTATE INVESTMENT PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
AB VPS SMALL/MID CAP VALUE PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
ALGER BALANCED PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
ALGER CAPITAL APPRECIATION PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
ALGER LARGE CAP GROWTH PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
ALGER MID CAP GROWTH PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
ALPS RED ROCKS LISTED PRIVATE EQUITY PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
AMERICAN CENTURY INVESTMENTS VP BALANCED FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
AMERICAN CENTURY INVESTMENTS VP INCOME & GROWTH FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
AMERICAN CENTURY INVESTMENTS VP INTERNATIONAL FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
AMERICAN CENTURY INVESTMENTS VP MID CAP VALUE FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
AMERICAN CENTURY INVESTMENTS VP VALUE FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018

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AMERICAN FUNDS IS GLOBAL GROWTH FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
AMERICAN FUNDS IS GROWTH-INCOME FUND	December 31, 2018	For the period June 13, 2018 to December 31, 2018	For the period June 13, 2018 to December 31, 2018
AMERICAN FUNDS IS INTERNATIONAL FUND	December 31, 2018	For the year ended December 31, 2018	For the year ended December 31, 2018 and for the period May 17, 2017 to December 31, 2017
AMERICAN FUNDS IS NEW WORLD FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
BLACKROCK GLOBAL ALLOCATION VI FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
CLEARBRIDGE VARIABLE LARGE CAP GROWTH PORTFOLIO	December 31, 2018	For the period June 6, 2018 to December 31, 2018	For the period June 6, 2018 to December 31, 2018
CLEARBRIDGE VARIABLE MID CAP PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
CLEARBRIDGE VARIABLE SMALL CAP GROWTH PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
COLUMBIA VARIABLE PORTFOLIO - LARGE CAP GROWTH FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
COLUMBIA VARIABLE PORTFOLIO - SELIGMAN GLOBAL TECHNOLOGY FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
COLUMBIA VARIABLE PORTFOLIO - SMALL CAP VALUE FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DELAWARE VIP EMERGING MARKETS SERIES	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DELAWARE VIP INTERNATIONAL VALUE EQUITY SERIES	December 31, 2018	For the period September 18, 2018 to December 31, 2018	For the period September 18, 2018 to December 31, 2018
DELAWARE VIP SMALL CAP VALUE SERIES	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DELAWARE VIP SMID CAP CORE SERIES	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018

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DELAWARE VIP VALUE SERIES	December 31, 2018	For the year ended December 31, 2018	For the year ended December 31, 2018 and for the period May 16, 2017 to December 31, 2017
DIMENSIONAL VA US TARGETED VALUE PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DREYFUS IP MIDCAP STOCK PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DREYFUS VIF APPRECIATION PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DREYFUS VIF GROWTH AND INCOME PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DREYFUS VIF OPPORTUNISTIC SMALL CAP PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DWS CAPITAL GROWTH VIP	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DWS CORE EQUITY VIP	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DWS CROCI® U.S. VIP	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DWS GLOBAL SMALL CAP VIP	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DWS SMALL CAP INDEX VIP	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DWS SMALL MID CAP GROWTH VIP	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
DWS SMALL MID CAP VALUE VIP	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
FEDERATED FUND FOR U.S. GOVERNMENT SECURITIES II	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
FEDERATED MANAGED TAIL RISK FUND II	N/A	For the period January 1, 2018 to August 20, 2018	For the period January 1, 2018 to August 20, 2018 and for the year ended December 31, 2017
FEDERATED MANAGED VOLATILITY FUND II	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
FRANKLIN SMALL CAP VALUE VIP FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
GOLDMAN SACHS VIT MULTI-STRATEGY ALTERNATIVES PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018

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GREAT-WEST AGGRESSIVE PROFILE FUND	December 31, 2018	For the period August 21, 2018 to December 31, 2018	For the period August 21, 2018 to December 31, 2018
GREAT-WEST ARIEL MID CAP VALUE FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
GREAT-WEST BOND INDEX FUND	December 31, 2018	For the period June 12, 2018 to December 31, 2018	For the period June 12, 2018 to December 31, 2018
GREAT-WEST CONSERVATIVE PROFILE FUND	December 31, 2018	For the period May 24, 2018 to December 31, 2018	For the period May 24, 2018 to December 31, 2018
GREAT-WEST INVESCO SMALL CAP VALUE FUND	December 31, 2018	For the year ended December 31, 2018	For the year ended December 31, 2018 and for the period May 23, 2017 to December 31, 2017
GREAT-WEST LIFETIME 2015 FUND	December 31, 2018	For the period August 28, 2018 to December 31, 2018	For the period August 28, 2018 to December 31, 2018
GREAT-WEST LIFETIME 2020 FUND	December 31, 2018	For the period July 25, 2018 to December 31, 2018	For the period July 25, 2018 to December 31, 2018
GREAT-WEST LIFETIME 2025 FUND	December 31, 2018	For the period May 24, 2018 to December 31, 2018	For the period May 24, 2018 to December 31, 2018
GREAT-WEST LIFETIME 2030 FUND	December 31, 2018	For the period October 17, 2018 to December 31, 2018	For the period October 17, 2018 to December 31, 2018
GREAT-WEST LIFETIME 2035 FUND	December 31, 2018	For the period September 7, 2018 to December 31, 2018	For the period September 7, 2018 to December 31, 2018
GREAT-WEST LIFETIME 2050 FUND	December 31, 2018	For the period December 17, 2018 to December 31, 2018	For the period December 17, 2018 to December 31, 2018
GREAT-WEST LIFETIME 2055 FUND	December 31, 2018	For the period December 17, 2018 to December 31, 2018	For the period December 17, 2018 to December 31, 2018
GREAT-WEST MID CAP VALUE FUND	December 31, 2018	For the year ended December 31, 2018	For the year ended December 31, 2018 and for the period May 23, 2017 to December 31, 2017

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GREAT-WEST MODERATE PROFILE FUND	December 31, 2018	For the period August 8, 2018 to December 31, 2018	For the period August 8, 2018 to December 31, 2018
GREAT-WEST MODERATELY AGGRESSIVE PROFILE FUND	December 31, 2018	For the period July 17, 2018 to December 31, 2018	For the period July 17, 2018 to December 31, 2018
GREAT-WEST MODERATELY CONSERVATIVE PROFILE FUND	December 31, 2018	For the period July 10, 2018 to December 31, 2018	For the period July 10, 2018 to December 31, 2018
GREAT-WEST MULTI-SECTOR BOND FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
GREAT-WEST SECUREFOUNDATION® BALANCED FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
GREAT-WEST T. ROWE PRICE MID CAP GROWTH FUND	December 31, 2018	For the year ended December 31, 2018	For the year ended December 31, 2018 and for the period May 31, 2017 to December 31, 2017
INVESCO V.I. COMSTOCK FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
INVESCO V.I. CORE EQUITY FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
INVESCO V.I. GROWTH & INCOME FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
INVESCO V.I. HIGH YIELD FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
INVESCO V.I. INTERNATIONAL GROWTH FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
INVESCO V.I. MID CAP CORE EQUITY FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
INVESCO V.I. SMALL CAP EQUITY FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
INVESCO V.I. TECHNOLOGY FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
IVY VIP INTERNATIONAL CORE EQUITY	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
JANUS HENDERSON VIT BALANCED PORTFOLIO INSTITUTIONAL SHARES	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
JANUS HENDERSON VIT BALANCED PORTFOLIO SERVICE SHARES	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018

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JANUS HENDERSON VIT FLEXIBLE BOND PORTFOLIO INSTITUTIONAL SHARES	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
JANUS HENDERSON VIT FLEXIBLE BOND PORTFOLIO SERVICE SHARES	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
JANUS HENDERSON VIT GLOBAL RESEARCH PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
JANUS HENDERSON VIT GLOBAL TECHNOLOGY PORTFOLIO INSTITUTIONAL SHARES	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
JANUS HENDERSON VIT GLOBAL TECHNOLOGY PORTFOLIO SERVICE SHARES	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
JANUS HENDERSON VIT OVERSEAS PORTFOLIO INSTITUTIONAL SHARES	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
JANUS HENDERSON VIT OVERSEAS PORTFOLIO SERVICE SHARES	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
JANUS HENDERSON VIT RESEARCH PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
JPMORGAN INSURANCE TRUST SMALL CAP CORE PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
LAZARD RETIREMENT EMERGING MARKETS EQUITY PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
LVIP BARON GROWTH OPPORTUNITIES FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
MFS VIT II INTERNATIONAL VALUE PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
MFS VIT III MID CAP VALUE PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For the year ended December 31, 2018 and for the period June 21, 2017 to December 31, 2017
MFS VIT UTILITIES SERIES	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018

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MORGAN STANLEY VIF U.S. REAL ESTATE PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
NEUBERGER BERMAN AMT MID CAP INTRINSIC VALUE PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
NEUBERGER BERMAN AMT SUSTAINABLE EQUITY PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
NVIT MID CAP INDEX FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
OPPENHEIMER GLOBAL FUND/VA	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
OPPENHEIMER INTERNATIONAL GROWTH FUND/VA	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
OPPENHEIMER MAIN STREET SMALL CAP FUND/VA	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PIMCO VIT COMMODITY REALRETURN STRATEGY PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PIMCO VIT EMERGING MARKETS BOND PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For the year ended December 31, 2018 and for the period May 22, 2017 to December 31, 2017
PIMCO VIT HIGH YIELD PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PIMCO VIT LOW DURATION PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PIMCO VIT REAL RETURN PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PIMCO VIT TOTAL RETURN PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PIONEER BOND VCT PORTFOLIO	December 31, 2018	For the period September 11, 2018 to December 31, 2018	For the period September 11, 2018 to December 31, 2018
PIONEER EMERGING MARKETS VCT PORTFOLIO	N/A	N/A	For the period January 1, 2017 to November 2, 2017
PIONEER FUND VCT PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PIONEER MID CAP VALUE VCT PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PIONEER SELECT MID CAP GROWTH VCT PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018

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PRUDENTIAL SERIES FUND EQUITY PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PRUDENTIAL SERIES FUND NATURAL RESOURCES PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PUTNAM VT EQUITY INCOME FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PUTNAM VT GLOBAL ASSET ALLOCATION FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PUTNAM VT GLOBAL HEALTH CARE FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PUTNAM VT INCOME FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PUTNAM VT INTERNATIONAL EQUITY FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PUTNAM VT INTERNATIONAL VALUE FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PUTNAM VT MORTGAGE SECURITIES FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PUTNAM VT MULTI-CAP CORE FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
PUTNAM VT SMALL CAP VALUE FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
ROYCE CAPITAL FUND - SMALL-CAP PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
SCHWAB GOVERNMENT MONEY MARKET PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
SCHWAB MARKETTRACK GROWTH PORTFOLIO II	N/A	For the period January 1, 2018 to November 27, 2018	For the period January 1, 2018 to November 27, 2018 and for the year ended December 31, 2017
SCHWAB S&P 500 INDEX PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
SCHWAB VIT BALANCED PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
SCHWAB VIT BALANCED WITH GROWTH PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
SCHWAB VIT GROWTH PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
T. ROWE PRICE HEALTH SCIENCES PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018

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T. ROWE PRICE HEALTH SCIENCES PORTFOLIO CLASS II	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
TEMPLETON FOREIGN VIP FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
TEMPLETON GLOBAL BOND VIP FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
THIRD AVENUE VALUE PORTFOLIO VARIABLE SERIES TRUST	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
TVST TOUCHSTONE BOND FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
TVST TOUCHSTONE COMMON STOCK FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
TVST TOUCHSTONE FOCUSED FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
TVST TOUCHSTONE SMALL COMPANY FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
VAN ECK VIP GLOBAL HARD ASSETS FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
VAN ECK VIP UNCONSTRAINED EMERGING MARKETS BOND FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
VANGUARD VIF CAPITAL GROWTH PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
VANGUARD VIF DIVERSIFIED VALUE PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
VANGUARD VIF MID-CAP INDEX PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
VANGUARD VIF REAL ESTATE INDEX PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
VANGUARD VIF SMALL COMPANY GROWTH PORTFOLIO	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
WELLS FARGO VT DISCOVERY FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
WELLS FARGO VT OMEGA GROWTH FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018
WELLS FARGO VT OPPORTUNITY FUND	December 31, 2018	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018