

The total receipts for the year, including premiums and interest, amount to \$55,217.68, being an increase of \$13,965.28, or about 34 per cent over 1876.

The cash balance on hand at the close of the year 1876 was \$61,141.70. The cash balance on hand at the close of the present year is \$88,836.72, showing an increase of \$27,695.02, or 45 per cent.

The total assets on hand at the end of the year 1876 amounted to \$81,105.36, and the total assets at the close of the past year amount to \$110,209.46, an increase of \$29,104.10, or about 36 per cent.

During the past year we issued 631 new policies for assurance, amounting to \$768,950. The death claims paid since our last annual meeting amount to \$6,000, which is again much below the expectation as indicated by the ordinary mortality tables.

We have now invested in first mortgages on farm property the sum of \$53,042; in municipal debentures, \$29,932; in loans on policies, \$1,779, which brings our interest bearing investments up to \$84,753, as against \$54,315 at the end of the previous year, showing an increase of \$30,438 or 56 per cent., during the past year.

Since our last annual meeting we increased our deposit with the Treasurer of Ontario from \$26,164 to over \$57,000, and we have recently obtained an Act of Incorporation from the Dominion Parliament, which will bring our Company under Dominion License and Inspection, so soon as we are prepared to transfer our deposit to the Minister of Finance at Ottawa.

The detailed report of your Auditors, and the Actuarial statements of your Manager are herewith submitted for your consideration.

You will be called upon to elect two Directors in the place of Isaac E. Bowman and James Trow, both of whom are, however, eligible for re-election.

All of which is respectfully submitted on behalf of the Board of Directors,

ISAAC E. BOWMAN,  
President.

Mr. H. F. J. Jackson,  
One of the auditors, then read the

EIGHTH ANNUAL STATEMENT.

Balance, as per audit of 1877 ..... \$61,141 70

Received in 1877:

For Premiums..... \$51,360 70  
For Interest ..... 3,856 98

55,217 68  
\$116,359 38

Disbursements in 1877.

To Policy holders—  
For claims by  
Death..... \$6,000 00  
Purchased Policies ..... 1,407 84  
Dividends in cash..... 3,554 91  
Commissions to Agents.. \$10,962 75  
Medical Examinations.. 6,273 75  
Salaries to President and Directors, Auditors, Manager and his assistants and Gen. Agents 5,168 19  
Printing, Stationery, Advertising, Postage, rent  
Travelling expenses, &c 2,521 87  
Re-assurance ..... 231 60  
Government License.... 55 00

27,522 66  
\$ 88,552 66

Balance, net assets..... \$ 88,836 72

*Schedule of Assets.*

Debentures ..	\$29,932 23	
Mortgages ....	53,042 24	
		\$82,974 47
Loans on policies .....	\$ 1,779 26	
Agents' and other balances	3,561 91	
Merchants' Bk		
Cash on call	210 88	
Cash in hand	310 20	
		5,862 25
		88,836 72
Notes secured by Policies in force.....	\$ 5,206 83	
Half-yearly & quarterly Premiums on existing Policies, due in three, six and nine months..	9,226 31	
Interest accrued and due	4,465 45	
Premiums in course of collection.....	2,474 15	
		\$ 21,372 74
Total assets .....		\$110,209 46

*Liabilities.*

Reserve or Re-Assurance Fund, based on four per cent., interest..	86,822 31
Surplus .....	\$23,387 15
And the	

AUDITORS' REPORT.

To the President and Directors of the Ontario Mutual Life Assurance Company:—

GENTLEMEN.—We now have the honour of laying before you our Eighth Annual Audit of the Company's affairs for the year ending 20th January, 1878.

We have carefully examined the Receipts of the Company from all sources, and have passed all Vouchers for Disbursements properly authorized by your Board.

The investments of the Company have been audited and found correct, the securities having been produced and examined.

We consider the present position of the Company to be such as to invite the most perfect confidence in its safety, and we feel assured it will obtain in the future the same measure of success it has hitherto enjoyed and to which its prudent and economical management fairly entitle it.

GEO. J. JAFFRAY,  
HENRY F. J. JACKSON,  
Auditors.

The Vice-President read the

ACTUARIAL REPORT.

To the President and Directors of the Ontario Mutual Life Assurance Company:—

GENTLEMEN.—The amount of assurance in force on the 20th day of January, 1878, was \$1,699,301, under 1,551 policies.

I have carefully computed the Reserve necessary to re-assure these Policies according to the Actuaries' rate of mortality, and four per cent. interest, and find that according to that high standard the reserve requires to be \$86,822.31.

The Assets of the Company, according to the Auditors' Report, is \$110,209.46, the Reserve of \$86,822.31 deducted therefrom, there remains a surplus of \$23,387.15.

The portion of this surplus available for distribution will average about thirty per cent. of the premiums on policies which have been in force four years and over, and about seventeen per cent. of the premiums on policies three years in force. Owing to the different terms the respective policies have been in force, and the various forms of assurance, the distribution of the surplus by percentage either on the amount of assurance or on the premiums is not equitable, hence the adoption by this Company of the

"Contribution Plan," by which each policyholder receives the share he has contributed.

The mutual principal applied in practice shows clearly the advantage to policy-holders in the rapid reduction of their premiums, giving a satisfactory assurance that the premiums will long inside of the term of expectation be entirely paid by surplus, and to those who live beyond that period, their early investments will become a source of income, and the so-called burden of paying premiums in old age entirely removed.

Your obedient servant,  
W. HENDRY,  
Manager.

The Vice-President in connection with the Directors' Report gave an interesting review of the Company's affairs conveying a large amount of information to those present, he also read a statement showing the progress of the Company as follows:—

Year.	Income.	Reserve.	Surplus.
1870	\$4,995 52	Not valued.	None.
1871	7,783 07	"	"
1872	15,506 23	\$12,246 85	"
1873	16,354 32	17,520 85	\$5,624 12
1874	22,652 41	29,428 19	4,298 22
1875	28,727 14	44,829 21	8,851 87
1876	41,281 40	67,124 56	18,980 80
1877	55,217 68	86,822 31	23,987 15

In respect to this statement he remarked that such progress should be satisfactory to every member of the Company; our aim was not so much to do a large business at any cost, but to do a careful one and extend our limits and operations gradually every year; in the object of our business we have been eminently successful, as the fact that our oldest policies already produce surplus sufficient to bear more than one-third of the premium, amply shows.

In connection with the new charter of incorporation obtained from the Dominion Parliament, which entitles the Company to take business anywhere in the Dominion, and to have its statements appear in the official report of the Government Superintendent, some explanation was given, and in accordance with a request by Mr. J. B. Hughes, the Act itself was read for the information of the meeting.

The adoption of the reports was moved by the Vice-President, seconded by Mr. H. F. J. Jackson, and after discussion was carried unanimously.

On motion of Mr. Melvin, seconded by Mr. R. C. Tye, Messrs. Jackson and Hughes were appointed scrutineers for the election of Directors in the room of Messrs I. E. Bowman, M.P. and James Trow, M. P. The scrutineers reported the unanimous re-election of Messrs I. E. Bowman and James Trow as Directors. The Vice-President re-nominated Mr. H. F. J. Jackson, and the meeting re-elected Mr. Jaffray as Auditors for the present year.

On motion of Mr. Tye, seconded by W. Wells, L. D. S., the President was voted the sum of three hundred dollars as salary for the past year.

Mr. Robert Melvin, of Guelph, moved that a cordial vote of thanks is due and now tendered to the Auditors, the Manager and his assistants; also to the Agents of the Company, which was seconded by Mr. H. C. Baird, of Parkhill, and unanimously carried. The vote was suitably acknowledged on behalf of the Manager and Auditors by Mr. H. F. J. Jackson, of Montreal, and for the agents by Messrs. J. H. Wood, of Woodstock; H. J. Brine, of Toronto; J. H. Saul, of Stratford, and V. Burrows, Belleville.

The Board met immediately after the annual meeting, and re-elected I. E. Bowman, M. P., President, and C. W. Taylor, Esq., Vice-President.