

**II. SOUGHT.—Vers. 4; 8.** David says: "I have gone astray like a lost sheep; seek thy servant (Psalm cxix. 176). Matthew's version of the parable of the lost sheep is prefaced by the words: "The Son of man is come to save that which was lost" (Matt. xvi. 11). Not only is man in danger of being lost eternally after death, but he is lost now, if he has not come to Christ for salvation—lost to God, lost to holiness, lost to happiness. Christ's errand to this world was to seek and save the lost. He seeks them still—by His Word, by the Holy Spirit, by the Church, by the Sabbath school, He seeks lost men and women, lost boys and girls. The "Westminster Teacher" says that in the second parable "the seeker is the Holy Spirit, the woman with her lighted candle fitly representing the Spirit of truth illuminating sin's moral darkness, and finding the sinner out." The same publication guards against "the danger of supposing that the sinner is to wait for some mysterious and mighty power by which he is to be lifted and carried to heaven. Every conviction of sin, every voice of conscience, every serious thought, every impression from God's Word, is proof of the Shepherd's seeking and the Spirit's search."

**III. FOUND.—Vers. 5; 9.** The search in both parables is represented as thorough and persevering. Neither the shepherd nor the woman will desist until they find. That which is lost absorbs all the attention, while that which is safe is comparatively unheeded. How carefully the woman would wipe every speck of dust from her recovered coin; and the shepherd, instead of driving or leading the wanderer home, layeth it on his shoulders. "The recovery of the one lost sheep," says the "S. S. Times," "for the time, awakens more conscious joy than the safety of the entire remaining flock, which had not been in peril. This is the pith of the comparison. The safety of the remaining ninety nine was proportionably as dear to him as that of the one astray, but this had been lost, and they had not. A sick member of a household, for the time being, absorbs the anxiety of the family. There is more joy over his recovery than over the continued health of all who had not been attacked by disease."

**IV. REJOICED OVER.—Vers. 6, 7; 9, 10.** At the end of a long article on "Angels' Joy Over Penitence," Dr. C. S. Robinson says:

"Now let our minds slowly receive two or three reflections:

"1. See the value of the conversion of just one soul. 'One sinner that repenteth.' What is Zion's glory? Read Psalm lxxvii. 5, 6.

"2. When angels are so excited, how strange seems our apathy! Just out of sight is a world all alive with enthusiasm and zeal.

"3. Is it possible that angels care more for sinners' salvation than some of the sinners seem to care for themselves to be saved?"

## THE ONTARIO MUTUAL LIFE ASSURANCE COMPANY, WATERLOO, ONTARIO.

### ELEVENTH ANNUAL REPORT.

#### ANNUAL MEETING.

The Eleventh Annual Meeting of the ONTARIO MUTUAL LIFE ASSURANCE COMPANY was held in the Company's Office at Waterloo on Wednesday, the 13th day of April, 1881.

Besides resident members of the Company, there were present, I. E. Bowman, John L. Wideman, St. Jacobs; J. H. Durhain, St. Catharines; J. G. V. Burkholder, S. G. Chamberlain, St. M. Kenner, Hamilton; J. G. Beam, Elora; H. Morrow, James Trow, M.P., Stratford; J. H. Saul, Wm. J. Smyth, James McDowell, London; S. Jessop, Beeton; H. J. Brine, Alfred Hoskin, Toronto; L. H. Ellison, St. Thomas; T. D. Rutlan, Picton; Lewis Howell, Brooklyn; Stephen Burrows, R. S. Patterson, Belleville; W. Oelschlager, H. Oelschlager, Rev. Wm. J. Ford, Alex. Millar, John Fennell, H. Kratz, M.P., August Fuchs, J. Oelschlager, P. E. W. Moyer, Berlin; Robert C. Tye, Haysville; Robert Melvin, D. McCrae, Rev. Wm. Williams, Guelph; J. H. Holmes, Hanover; A. M. Fisher, Stakespeare; Henry F. J. Jackson, Brockville; Peter McCrae, Ayr; Geo. Braun, Jacob Ratz, E. A. Brown, New Hamburg; Wm. Oelschlager, jr., Muskegon, Mich.; E. G. Woodward, Hawkesville; F. Holwell, Petersburg; E. W. P. Jones, Brantford.

The President, I. E. Bowman, Esq., presided, and called the meeting to order by reading the notice.

The President then read the

#### DIRECTORS' REPORT.

To the Members of the Ontario Mutual Life Assurance Company.

GENTLEMEN,—In presenting to you our Eleventh Annual Report for the period extending from the 20th January to the 31st December, 1880, it affords us much pleasure to congratulate you upon the large increase of new business, and the sound financial condition of your Company.

There are now 2,638 policies in force, covering \$3,064,884.50 of assurance.

The number of new policies issued during the eleven months is 938 for assurance, amounting to \$1,188,750, of which 905 for \$1,157,750 were accepted by the applicants. The remaining 23 were not reported on at the time the accounts were closed.

Our premium income has increased from \$62,779.75 to \$82,326.35, shewing a gain of over thirty-one per cent., while our assets have increased from \$177,897.61, to \$227,424.61, shewing a gain of over twenty-eight per cent.

Our death rate still remains far below the expectation, which is the best proof that our risks are selected with due care.

Owing to the extension of our agencies, and the large amount of new work done our expenses have been somewhat greater than during the previous year, but the additional strength which so large an accession of new members will give, and their contributions towards future expenses, will fully compensate the Company for this present extra outlay.

In view of the decline in the rate of interest, which may last for some time, we deem it advisable in future to base our distribution of surplus on six per cent. interest on our investments, instead of eight per cent. as hitherto, and upon that scale we fully anticipate the usual annual increase.

We must also bear in mind that owing to the change in the time of closing our accounts from the 20th January to the 31st December, the next distribution of surplus will only be for eleven months, instead of a full year, and that our Manager has had to provide for a full year's reserve out of eleven months' income.

We would call your attention to the fact that two independent valuations of our assets and liabilities have been made by actuaries of the highest standing.

The first valuation was made by Professor Wright, the eminent Actuary of Boston, in 1878, who computed the reserve required to be held at that time at over \$4,000 less than our Manager's estimate.

The second valuation was made by Professor Cherriman, Inspector of Insurance for the Dominion of Canada, on our policies as they stood on the 20th January, 1880.

According to the statement laid before you at our last annual meeting, the reserves required to be held at the close of the previous year was \$146,140.57, while Professor Cherriman's re-valuation fixes it at \$141,075.55, thus proving most conclusively that our reserve was at that time \$5,064.96 in excess of the Government standard.

To this Professor Cherriman added the enhanced market value of our debentures above cost, which last year amounted to \$2,856.58, as per Government Report for 1879.

Our statement this year shews a net surplus of assets over liabilities amounting to \$29,074.93.

If, however, we adopted the Government standard of valuation, and took credit for the enhanced value of our debentures, our surplus account would be as follows:—

Surplus as per statement.....	\$29,074 93
Excess of Reserve over legal standard..	10,000 00
Office furniture .....	500 00

Surplus by Government standard. . . \$39,547 93

So that we really hold one dollar and twenty cents for every dollar of liability.

We continue to adhere to our own computation of reserve upon the ground that absolute and undoubted safety is the paramount consideration in a Life Assurance Company.

THE ONTARIO MUTUAL now stands second to none in the confidence of the public, and judging by the large increase of business during the past year, and the still greater increase for the first three months of 1881, it will soon be one of the largest and strongest companies in Canada.

You will be called upon to elect three Directors in the place of I. E. Bowman, James Trow, and R. S. Patterson, all of whom are eligible for re-election; and you will also be called upon to consider the propriety of adding three more members to our Board.

The detailed statement prepared and duly certified by our Auditors is herewith submitted.

On behalf of the Board,

ISAAC E. BOWMAN, President.

Mr. Jackson, one of the auditors, then read the Auditors' Financial Statement and the

#### AUDITORS' REPORT.

To the President and Directors of the Ontario Mutual Life Assurance Company.

GENTLEMEN,—We have the honour to submit our Audit of the Company's accounts for the period between the 20th January, 1880, and the 31st December, 1880.

We have carefully checked the receipts of the Company from Premiums, Interest, and all sources of revenue, and have examined and passed all vouchers for disbursements properly authorized by your Board.

The Investments of the Company have been carefully examined, and their present value established on the basis of their cost; the securities having been shewn to be lodged with the Government or in possession of the Company.

We have much pleasure in bearing testimony to the uniform courtesy we have received at the hands of the Manager and his assistants during the work of our audit.

We are, yours truly,

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

The President then read the

#### ACTUARIAL REPORT.

To the President and Directors of the Ontario Mutual Life Assurance Company.

GENTLEMEN,—I have just concluded the annual Examination and Valuation of our Policies, and find that there were on the 20th December, 1880, 2,638 policies in force on 2,509 lives, covering assurances to the amount of \$3,064,884.50.

I have based the valuations on the "Actuaries" Table of Mortality and four per cent. interest. By this high standard I find the Reserve requires to be \$194,658.49.

Although the time which has elapsed since last valuation has been only eleven months, I have increased the Reserve by the requirement for a full year, and I may state in this connection that in placing our Reserve at the figures given above we hold at least \$10,000 more than the legal standard based on four a half per cent.

Your obedient servant,

WILLIAM HENDRY, Manager.

Waterloo, March 30th, 1881.

The President, in moving the adoption of the several reports, referred to the large increase of our business during the past year, and the gratifying fact of our issue for the past three months being \$480,000, with applications for \$171,000 in hand in course of completion; this result, he said, was extremely gratifying to those who had charge of the work, inasmuch as it shewed the public appreciation of their efforts to extend the usefulness of our Company.

Rev. W. Williams, of Guelph, said the state of the Company's affairs, as shewn by the reports, could not fail to be satisfactory to the members, and therefore took more than ordinary pleasure in seconding the motion.—Carried unanimously.

H. I. J. Jackson, Esq., of Brockville, and R. S. Tye, Esq., of Haysville, were elected Scrutineers of the Ballot.

The Ballot was then passed for the election of three Directors in place of I. E. Bowman, James Trow, and R. S. Patterson, resulting in their unanimous re-election.

The propriety of adding three additional members to the Board of Directors was discussed, and it was moved by Mr. Burrows, seconded by Mr. Ellison, that three additional Directors be added to our Board.—Carried.

The ballot was then passed for the election of a new Director to serve for one year, resulting in the election of Robert Baird, Esq., of Kincardine.

On the second ballot, James Norris, Esq., of St. Catharines, was elected to serve for two years, and

On the third ballot, Alfred Hoskin, Esq., of Toronto, was elected to serve for three years.

Messrs. Jackson and Jaffray were re-elected as Auditors for the current year.

Mr. Melvin paid a high tribute to the ability and reliability of the general and other agents of the Company, and also its Medical Referee and examiners, and moved that a hearty vote of thanks is due and be tendered to them.

Mr. Trow said that these gentlemen had proven themselves to be worthy of our esteem and confidence, and therefore he took great pleasure in seconding the motion, which was carried unanimously.

This motion was replied to by Messrs. Smyth, Brine, Muir, Durham, Burrows, Chamberlain, Saul, Ellison, and Rutlan.

A hearty vote of thanks was passed to the President, and the meeting closed.

Immediately after the annual meeting the Board met and re-elected I. E. Bowman, Esq., of St. Jacobs, President, and C. M. Taylor, Esq., of Waterloo, Vice-President for the current year.

#### FINANCIAL STATEMENT.

Net Assets, January 20, 1880..... \$152,814 99

#### RECEIPTS.

Cash from Premiums.....	\$52,326 35
Interest on Investments .....	6,873 77
	89,200 12

\$242,015 11

#### EXPENDITURE.

PAYMENTS TO POLICY HOLDERS:	
Claims under 21 Policies.....	\$12,133 00
Dividends in Cash.....	12,505 40
Purchase of Policies .....	1,982 99
Total paid to Policy Holders.....	26,621 39

#### GENERAL EXPENSES.

Commissions to Agents .....	\$13,522 62
Medical Examinations .....	2,985 00
	16,507 62

SALARIES:	
President and Directors' Fees and Mileage.....	841 30
Manager and Assistants .....	3,225 00
General Agents and Inspectors .....	3,175 33
Auditors .....	100 00
	7,341 63

Books and Stationery .....	550 20
Rent of old Office .....	125 00
Taxes on new Office .....	50 00
Insurance on Office and Furniture .....	34 50
Office Furnishings.....	118 87
Telegraphy .....	32 13
Postage .....	477 83
Printing .....	33 05
Advertising, circulars, calendars, blotters, etc.....	1,373 68
Travelling Expenses .....	709 86
Re-Assurance .....	500 59
Incidentals, including Fuel, Care of Office, Expressage, Blank Charges, etc.....	232 43
	4,747 23

\$4,777 87

\$157,237 24

#### NET ASSETS.

Comprising the following Investments:

MUNICIPAL DEBENTURES:	
Face Value, \$74,396.79. Market Value, \$73,429.76	
Mortgages, first liens on real estate, cash valuation, \$234,400.00 on 53 Farms and 3 Church Properties.....	86,271 71
Company's Office .....	5,011 38
Loans on Policies (the reserves to the credit of which amount to \$34,427.64) .....	14,667 83
Agents' and other Ledger Balances.....	4,147 10
Liens on Policies in force included in the liability for reserve .....	2,725 01
Cash in Merchants' Bank .....	100 80
" in Office .....	23 65
	\$187,237 24

ADDITIONAL ASSETS:	
Short date Notes secured by Policies in force .....	\$6,651 60
Premiums due and in course of transmission .....	276 71
Deferred half-yearly and quarterly premiums on existing Policies due in 3, 6 and 9 months (these assets are included in Reserve liability).....	18,265 03
Interest due and accrued .....	9,704 03
Market Value of Debentures over cost .....	5,500 00
	40,267 37
Total Assets.....	\$227,424 61

#### LIABILITIES.

Amount of Reserve required (including liens, deferred Premiums, Notes, etc.,) based on the "Actuaries" Table of Mortality and 4 per cent. interest.....	
	\$194,658 49
Less re-assurance .....	828 14
	\$193,830 35
Balance .....	\$193,830 35
Claims under 2 Policies awaiting the necessary claim papers (since paid) .....	2,000 00
10 per cent. Collection Fee on deferred and other premiums .....	2,510 33
	\$198,340 68

Surplus to credit of Policy Holders on 21 months' business .....	\$29,074 93
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