

**ONTARIO MUTUAL LIFE ASSURANCE COMPANY.**

The Seventeenth Annual Meeting of the Company was held at its Head Office, in the Town of Waterloo, Ontario, on Tuesday, the 5th day of April, 1887, and in addition to many local members, embracing the leading business and professional men of the town, a large number of representative policy-holders from a distance was present.

The President, I. E. Bowman, Esq., having taken the chair, on motion, W. H. Riddell, Esq., Secretary of the Company, acted as Secretary of the meeting. Notice, calling the annual meeting, having been read, on motion the minutes of the minutes of the last annual meeting were taken as read, and the same thereupon confirmed. The President then read

**THE DIRECTOR'S REPORT.**

It affords your Directors much pleasure to be able to submit to you the following report of the affairs of your Company as at the 31st December, 1886, showing that the past year has been one of great prosperity and satisfactory progress.

The volume of new business—the premium income—the interest on our investments—the number and amount of policies in force—the net and total assets—the reserve and surplus, have all been largely increased, and the amount paid for death claims is only a little more than half the amount paid the previous year. These facts are all fully verified by the following tabulated statement:

COMPARATIVE STATEMENT.		1886.	1885.	Gain per Cent.
Total Cash Income	\$770,897 44	\$715,802 22	\$55,095 22	7.7
From Premiums	277,006 52	272,003 10	5,003 42	1.8
From Interest	35,023 12	45,804 12	10,781 00	23.3
No. of Policies Issued	1,555	1,581	26	1.6
Am't. of Policies Issued	1,967,500 00	1,919,000 00	48,500 00	2.5
No. of Policies in Force	6,861	7,143	282	3.9
Am't.	9,222,591 00	9,774,501 00	551,910 00	5.6
Net Assets	6,020,811 62	6,007,501 60	13,310 02	0.2
Total Assets	7,603,611 62	7,677,501 60	73,890 00	0.9
Reserve held	6,020,811 62	6,007,501 60	13,310 02	0.2
Surplus	38,800 00	61,500 00	22,700 00	36.9
Death Claims and Matured Endowments	61,000 00	61,000 00	0 00	0 00

The amount of new business for 1886 is 37 per cent. greater than that of 1885, yet the ratio of expense to income has only been increased by one-third of 1 per cent.

We desire to call your attention to the rate of interest on our investments, from which our surplus is so largely derived. Previous to 1881 our interest income enabled us to allow 8 per cent. on our interest bearing reserves, but the decline in the rate of interest on investments at that time made it necessary to reduce the rate to 7 per cent. on reserves, which has been maintained up to the end of 1886.

**FINANCIAL STATEMENT.**

Not assets, Dec. 31, 1885	\$660,616 05	
Less cancelled liens on lapsed policies	\$1,050 95	
Loss Lodger balances written off (including reduction of value of the Co's offices)	3,634 11	4,724 06
<b>Income</b>		\$655,892 99
Premiums	\$275,770 66	
Less re-insurance	5,471 70	\$270,298 96
Interest	43,494 12	\$315,802 28
		\$671,095 21
<b>Expenditure: To policy holders—</b>		
Claims under 41 policies	\$54,250 00	
Claims under two matured Endowments	3,000 00	
Purchased policies	15,333 38	
Surplus	34,009 71	
Returned prem's	394 27	
		\$104,987 36
<b>General expenses:</b>		
Commissions and Superintendent's salary	\$41,567 23	
Medical examina's	6,302 50	
		\$ 47,869 72
<b>Salaries—</b>		
Pres. and Directors' fees and mileage	\$2,008 30	
Manager, Secretary and Assistants	6,301 60	
Auditors	250 00	
		\$ 11,109 90
<b>Sundry expenditures, including printing, advertising, commissions on loans, valuation fees, etc</b>	\$ 216	\$173,203 41
		\$708,491 60

**NET ASSETS.**

Comprising the following investments:	
Municipal Deb's, face value	\$114,348 41
Municipal Deb's, market value	125,663 41
Cost	\$115,999 58
Mortgages (cash valuation, \$1,229,326 00)	550,541 60
Loans on policies (Reserve to Credit, \$123,063 51)	68,340 61
Liens on policies, (Reserve to Credit, \$108,147 64)	46,065 31
Bills receivable	342 46
Company's Office Agents' and other balances	6,000 00
Molson's Bank, current account	5,802 32
Loss deposit in hand, waiting disbursement on account of mortgage investment	1,275 00
Bk. of Commerce, account current	4,374 30
Less outstanding cheques	246 22
Cash on hand	1,215 06
	\$708,491 60

**ADDITIONAL ASSETS.**

Short date Notes secured by policies in force	\$23,523 19
Premiums due and in course of transmission	2,977 62
Deferred half-yearly and quarterly premiums on existing policies due in 3, 6, & 9 mos.	57,239 49
Int. due on mortg's	\$4,098 87
Int. accrued on mortgages and debentures, not due	21,306 70
Int. due on policy loans	\$815 06
Int. accrued on policy loans not due	1,905 79
Int. accrued on policy liens not due	4,744 91
	\$34,672 23
Market val. of Debts. over cost	9,463 63
Liens on Def. sur. policies (Reserve to credit)	\$7,611 67
	\$900,459 73

**LIABILITIES.**

Reserve computed on 11 1/2 p. ct., includg. liens, notes, premiums, due and deferred	\$31,167 24
Claims under four policies awaiting claim papers	3,500 00
Claims under two policies resisted	4,500 00
\$2,500 of this amt since settled in Court in favor of the Co'y	
Premiums paid in advance	2,409 71
Collection fee on Deferred and other premiums add notes	6,278 03
	\$57,854 98
Surplus	\$51,534 75

**AUDITORS' REPORT.**

We beg to report that we have carefully examined the books and accounts of your company for the year ending 31st December, 1886, and that we find the same correct and in accordance with the foregoing statement.

We have also examined the mortgages, debentures and other securities held by your company, and we hereby certify that they are correctly shown upon the statement submitted herewith.

H. F. J. JACKSON, } Auditors.  
J. M. SCULLY, }

Waterloo, Feb. 12, 1887.

**ADOPTION OF THE REPORTS.**

The President, in moving the adoption of the report, said that during the past year the Superintendent of Agencies appointed a number of new General Agents and a large number of Locals, which has resulted in a satisfactory increase in the list of our policy holders.

Our death losses for 1886 are very light compared with the previous year, and our surplus available for distribution among policy holders is proportionately increased.

During the past year the Company has been compelled to dispute the payment of two claims amounting to \$4,500. One of these, known as the Dunseath case, came to trial before Justice Rose, at Toronto, and was declared to be a barefaced attempt to defraud the Company. Since the trial Samuel S. Dunseath, whose life was assured and who was said to have been drowned in the Detroit River, has been found alive and well in Michigan, which proved the wisdom of the Board in resisting the claim. The ONTARIO MUTUAL has never yet disputed an honest claim.

The new business for the first three months of 1887 is largely in excess of the business for the same period of 1886, which shows that the progress of the past year is still going on.

The adoption of the report was seconded by several of the members, who offered hearty congratulations on the pre-eminently satisfactory nature of the reports read by the President, and, in the most enthusiastic terms, expressed their high appreciation of the present undoubted financial stability of the Company, and of the gratifying success which characterized the operations of the past year in the face of the keenest competition from rival institutions. Among the speakers were the Rev. Messrs. Morrow and Burns, Dr. McLellan, Director of Teachers' Institutes, Mr. Allison, Q.C., of Picton, and others.

The balloting for directors resulted in the re-election of Messrs. I. E. Bowman, M. P., James Trow, M.P., Alfred Hoskin, Q.C., and the election of A. P. Clement (of Messrs. Bowly & Clement, barristers, etc., Berlin), for the ensuing three years.

On motion, Messrs. Henry F. Jackson and J. M. Scully were re-appointed auditors for the current year.

Votes of thanks to the President and Directors, to the Manager, Secretary and official staff, to the Agents, Medical Examiners and Referee having been tendered and responded to, one of the most largely attended, influential and thoroughly representative meetings of the Company was brought to a successful close.

After the annual meeting, the Board met, when I. E. Bowman, Esq., was re-elected President, and C. M. Taylor, Esq., Vice-President, for the ensuing year.