

Meetings.

THE ONTARIO MUTUAL LIFE ASSURANCE COMPANY.

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. Jacob's; J. H. Durham, St. Catharines; J. G. Y. Burkholder, S. G. Chamberlain, S. M. Kenny, 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, Pictou; Lewis Howell, Brooklin; Stephen Burrows, R. S. Patterson, Belleville; W. Oelschlager, John Fennell, H. Kranz, M. P., August Fuchs, J. Oelschlager, P. E. W. Mover, Berlin; Robert C. Tye, Haysville; Robert Melvin, D. McCrae, Rev. A. M. Williams, Guelph; J. H. Holmes, Hanover; Brockville; Peter McKee, Ayr; Geo. Braun, Jacob Ratz, E. A. Brown, New Hamburg; Wm. Oelschlager, Jr., Muskegon, Mich.; E. G. Woodward, Hawkville; 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

REPORT.

GENTLEMEN—In presenting to you our eleventh annual report, or 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 908 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 \$62,779.78 to \$82,326.35 showing a gain of over 31 per cent., while our assets have increased from \$177,897.61 to \$227,424.61, showing a gain of over 28 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 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 four thousand dollars 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 reserve required to be held at the close of the previous year was \$146,140.57, while Professor Cherriman's revaluation 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 of which last year amounted to \$2,856.58, as per Government report for 1879.

Our statement this year shows 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..\$39,574.93

So that we really hold one dollar and twenty cents for ever 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:—

THE ELEVENTH ANNUAL STATEMENT.

Net assets January 20, 1880.....\$ 152,814.99

RECEIPTS.

Cash from premiums..\$ 82,326.35
Interest on investments 6,873.77
\$ 89,200.12
\$ 242,015.11

EXPENDITURE.

Payments to policy-holders:
Claims under
11 policies \$12,133.60
Dividends in
cash..... 12,565.40
Purchased
policies... 1,982.99
Total paid to
policy-holders.....\$ 26,681.99

GENERAL EXPENSES.

Commissions
to agents..\$13,522.62
Medical ex-
aminat'ns 2,985.00
\$ 16,507.62

Salaries:
President
and direct-
ors' fees &
mileage.. 841.30

Manager and assistants,	3,225.00
General ag'ts and inspector ..	3,175.33
Auditors	100.00
	7,341.63
Books and stationery	550.29
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
Reassurance	509.59
Incidentals, including fuel, care of office, expressage bank charges, etc....	232.43
	4,247.23
	54,777.87
	\$187,237.24

NET ASSETS,

comprising the following investments:

Municipal debentures:	
Face value \$74,396.79,	
market value, \$78,-	
636.78; cost.....	\$ 73,429.76
Mortgages, first liens on real estate, cash valuation, \$204,400.00 on 53 farms and 3 church properties	86,271.71
Company's office....	5,871.38
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
Cash 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 transmiss'n	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 ac'd	9,794.03
Market value of debentures over cost	5,200.00
	40,187.37
Total assets.....	\$227,424.61