



HOME DISTRICT OFFICES  
WHERE ALL CLASSES OF INSURANCE MAY BE EFFECTED:

## LONDON :

334, Holloway Road, N.7.  
271, Whitechapel Road, E.1.  
Central Park Rd., Barking Rd., E.6.  
415, High Street, Stratford, E.15.  
189, Hoe St., Walthamstow, E.17.  
High Street, Lewisham, S.E.13.  
29, Green's End, Woolwich, S.E.18.

362, North End Road, Fulham, S.W.6.  
12, South Side, Clapham Common, S.W.4.  
4, Station Parade, Balham, S.W.12.  
111, Edgware Road, W.2.  
8, New Broadway, Ealing, W.5.  
46, High Road, Chiswick, W.4.  
178, Finchley Road, N.W.3.

Aberdare	Colwyn Bay	Lancaster	Scarborough
Aberdeen	Consett	Leamington	Seaham Harbour
Abertillery	Cork	Leeds	Selby
Accrington	Coventry	Leicester	Sheffield
Altrincham	Crewe	Leigh, Lancs.	Shipley
Ammanford	Croydon	Lewes	Shrewsbury
Arbroath	Darlington	Lichfield	Sittingbourne
Ashington	Derby	Lincoln	Skipton
Ashton-under-Lyne	Dewsbury	Liverpool	Southampton
Ayr	Doncaster	Llanelly	Southend-on-Sea
Bacup	Douglas (I. of M.)	Long Eaton	Southport
Banbury	Dover	Loughborough	South Shields
Barnsley	Dublin	Louth	Stafford
Barnstaple	Dumbarton	Lowestoft	Stalybridge
Barrow	Dumfries	Luton	Stirling
Bath	Dundee	Macclesfield	Stockport
Bathgate	Dunfermline	Maidstone	Stockton-on-Tees
Batley	Durham	Manchester	Stoke-on-Trent
Bedford	Eastbourne	Mansfield	Stroud
Belfast	Edinburgh	Margate	Sunderland
Birkenhead	Ely	Melton Mowbray	Sutton
Birmingham	Enfield	Merthyr Tydfil	Swansea
Bishop Auckland	Exeter	Middlesbrough	Swindon
Blackburn	Falkirk	Motherwell	Tamworth
Blackpool	Folkestone	Neath	Taunton
Blaydon	Garston	Nelson	Tonbridge
Blyth	Gateshead	Newbury	Ton Pentre, Glam.
Bolton	Glasgow	Newcastle-on-Tyne	Torquay
Bournemouth	Gloucester	Newport, Mon.	Truro
Bradford	Gorton	Newton Abbot	Tunbridge Wells
Bridgend	Gravesend	Northampton	Wakefield
Brighouse	Grays	North Shields	Wallasey
Brighton	Greenock	Norwich	Walsall
Bristol	Grimsby	Nottingham	Warrington
Bromley, Kent	Guildford	Oldham	Waterford
Burnley	Halifax	Oswestry	Watford
Bury	Hamilton	Oxford	Wednesbury
Bury St. Edmunds	Hanley	Paisley	West Bromwich
Caerphilly	Harrogate	Perth	West Hartlepool
Camborne	Hastings	Peterborough	Weston-super-Mare
Cambridge	Haverfordwest	Plymouth	Weymouth
Canterbury	Hawick	Pontefract	Wigan
Cardiff	Hereford	Pontypridd	Winchester
Carlisle	Hertford	Portsmouth	Wolverhampton
Carnarvon	High Wycombe	Preston	Wolverton
Castleford	Huddersfield	Pudsey	Worcester
Chatham	Hull	Reading	Workington
Chelmsford	Inverness	Red Hill	Worksop
Cheltenham	Ipswich	Rochdale	Wrexham
Chester	Keighley	Rotherham	Yarmouth
Chesterfield	Kendal	Rugby	York
Clifton	Kettering	Ryde	
Coatbridge	Kilmarnock	St. Helens	
Colchester	Kirkcaldy	Salisbury	

REPRESENTATIVES FOR THE TRANSACTION OF CERTAIN CLASSES OF  
INSURANCE HAVE ALSO BEEN APPOINTED IN :

Adelaide	Bombay	Coimbatore	Mangalore	Singapore
Alexandria	Brisbane	Edmonton	Manila	St. John's
Alleppey	Buenos Aires	Halifax (N.S.)	Melbourne	(Newfoundland)
Amsterdam	Calcutta	Hamburg	Montreal	Sydney
Antwerp	Calicut	Havana	Oslo	Tientsin
Athens	Christchurch	Helsingfors	Paris	Tellicherry
Auckland	Cochin	Hobart	Perth (W.A.)	Toronto
Batavia	Colombo	Kobe	Qullon	Vancouver
Bogota	Copenhagen	Lisbon	Shanghai	Wellington
				Winnipeg

# THE PRUDENTIAL ASSURANCE COMPANY LIMITED

## EIGHTIETH ANNUAL REPORT

For the Year ending 31st December, 1928

THE DIRECTORS have much pleasure in presenting their Report and Accounts for the year 1928.

The **Total Assets** of the Company now amount to **£219,210,768**, as compared with **£209,307,690** a year ago, i.e., an increase of **£9,903,078**.

The **Total Income** during 1928 was **£41,791,521**, as compared with **£39,801,358** in 1927, i.e., an increase of **£1,990,163**.

The **Total Surplus** arising from the **Life Business**, including the sum of **£459,736** brought forward is **£8,788,264**, which has been allocated as follows:—

	£
To the Investments reserve funds .. .. .	500,000
To the Common contingency fund .. .. .	250,000
Cost of bonuses to the Ordinary and Industrial Branch participating policyholders Transferred to Profit and Loss account for dividend and bonus to the holders of "A" Shares .. .. .	5,631,208
Bonus to members of outdoor staff .. .. .	925,000
To the Special contingency fund .. .. .	520,408
To be carried forward .. .. .	483,333
	478,315

**Ordinary Branch.**—The number of policies issued during the year was **80,374**, assuring the sum of **£17,401,001**, and producing a new annual premium income of **£1,072,977**. The premiums received were **£11,778,847**, being an increase of **£618,448** over those for the year 1927.

The claims for the year amounted to **£9,739,956**. The number of deaths was **11,089** and of matured endowment assurances **58,726**, the combined annual premium income being **£612,932**.

The number of life policies in force at the end of the year was **1,068,784**, assuring with bonus **£182,491,792** and producing a premium income of **£10,616,990** per annum. The immediate annuities payable were **3,698** in number, and amounted to **£148,164** per annum. In addition there were **1,342** deferred and contingent annuities, securing **£28,664** per annum by an annual premium income of **£12,882**.

**Industrial Branch.**—The premiums received during the year were **£17,143,456**, being an increase of **£550,002** over those for the year 1927.

The claims for the year amounted to **£10,271,126**. The total number of claims and surrenders was **835,748** on **943,057** policies, of which **268,195** were matured endowment assurances.

The number of free policies granted during the year was **225,449**, the number in force being **2,653,992**. The number of free policies which became claims was **147,846**.

The total number of policies in force in this Branch at the end of the year was **24,912,119**, under which the maximum sum assured together with declared bonus was **£458,417,970** and producing an annual premium income of **£17,593,296**. The average duration of the whole life premium paying policies in force exceeds 18 years.

**General Branch.**—The premiums received during the year, after deduction of the re-insurances, were **£1,753,719**, being an increase of **£150,684** in sections other than Marine and a decrease of **£15,975** in the Marine, thus giving a net increase of **£134,709** over those for the year 1927.

Particulars of the premiums received, claims paid, expenses and reserves now held, in respect of the various sections of the General Branch excluding Sinking Fund business are set out below:—

	Premiums. £	Claims. £	Expenses. £	Reserves. £
*Fire .. .. .	765,520	385,902	317,187	612,416
Sickness and Accident .. .. .	130,599	43,928	52,230	153,785
Employers' Liability .. .. .	80,408	38,815	28,630	105,039
Miscellaneous .. .. .	331,170	146,230	142,715	264,936
Marine .. .. .	367,589	541,184	24,958†	697,088
	<b>£1,675,286</b>	<b>£1,156,059</b>	<b>£565,720</b>	<b>£1,833,264</b>

\* The figures of the Fire Section do not include the business written by the American subsidiary, The Prudential Insurance Company of Great Britain located in New York.

† The marine expenses do not include commission which in accordance with the usual practice was deducted from the gross premiums before receipt.

The premiums received under Sinking Fund policies were **£78,433**. The capital sum insured under these policies is **£5,766,825**.

The **Staff Provident Fund**, which was founded in 1898 for the benefit of the outdoor staff, amounts to **£405,364**. This Fund was closed to new members as from 31st December, 1927, and a new **Deferred Annuity Fund** has been set up to enable the Outdoor Staff to supplement their pensions.

The Valuation has been made by Mr. F. P. SYMONS, F.I.A.

In both **Life Assurance Branches** net premiums only have been valued, the rate of interest assumed being 3 per cent.

In the **Ordinary Branch** the assurances have been valued by the British Offices' O<sup>M</sup> Table of Mortality for life risks. The British Offices' Life Annuity Tables 1893 have been used as heretofore for the annuities, the reserves being specially strengthened by assuming all annuitants to be select lives.

In the **Industrial Branch** the valuation was made on the same mortality basis as last year, namely the English Life Tables (No. 8).

In the **General Branch** the surplus shown is £261,933, including the sum of £84,140 brought forward from last year. This surplus the Directors have applied as follows:—

	£
To the strengthening of reserves .. .. .	68,148
Transferred to Profit and Loss account for Income Tax .. .. .	41,000
Transferred to Profit and Loss account for dividends to holders of "A" and "B" shares .. .. .	66,667
To be carried forward .. .. .	86,118

In the **Ordinary Branch** the surplus shown is £3,079,013, including the sum of £194,889 brought forward from last year. This surplus the Directors have applied as follows:—

	£
To the Investments reserve fund (which stands as at 31st December, 1928, at £5,000,000) .. .. .	250,000
Cost of bonus to participating policyholders .. .. .	2,365,902
Transferred to Profit and Loss account for dividend and bonus to holders of "A" shares .. .. .	261,368
To be carried forward .. .. .	201,743

The above stated amount of £2,365,902 is sufficient to provide a reversionary bonus of £2 6s. per cent. on the original sums assured under Endowment Assurance policies and £2 10s. per cent. on the original sums assured under Whole Life Assurance policies, and bonuses at those rates will be allocated to participating policies which were in force on the 31st December, 1928. These rates of bonus represent an increase of 2s. per cent. in the case of Endowment Assurances and 6s. per cent. in the case of Whole Life Assurances over the rate of bonus declared for each of the years 1926 and 1927.

In the **Industrial Branch** the surplus shown is £5,709,251, including the sum of £264,847 brought forward from last year. This surplus the Directors have applied as follows:—

	£
To the Investments reserve fund (which stands as at 31st December, 1928, at £4,250,000) .. .. .	250,000
To the Common contingency fund .. .. .	250,000
Cost of bonus to participating policyholders .. .. .	3,265,306
Transferred to Profit and Loss account for dividend and bonus to holders of "A" shares .. .. .	663,632
Bonus to members of outdoor staff .. .. .	520,408
To the Special contingency fund .. .. .	483,333
To be carried forward .. .. .	276,572

A reversionary bonus of £1 14s. per cent. on the original sum assured payable on death or maturity of Endowment has been added to all participating policies issued on or after 1st January, 1923, on which premiums were being paid on 31st December, 1928. This reversionary bonus, as well as those previously declared, will vest immediately instead of after payment of 5 years' premiums as heretofore.

All policies issued before 1st January, 1923, which are in force and on which premiums were being paid on 7th March, 1929 (except those in the Irish Free State), and are entitled to participate under the bonus distribution scheme and become claims by death or maturity of endowment between 8th March, 1929, and 4th March, 1943, both dates inclusive, will receive a bonus addition as follows:—

Premiums paid for.	Amount of claim increased by.	
	£	s.
6 years and less than 15 years .. .. .	9	5 per cent.
15 " " " " 25 " .. .. .	10	0 " "
25 " " " " 30 " .. .. .	15	0 " "
30 " " " " 35 " .. .. .	20	0 " "
35 " " " " 40 " .. .. .	25	0 " "
40 " " " " 45 " .. .. .	30	0 " "
45 " " " " 50 " .. .. .	35	0 " "
50 " " " " 55 " .. .. .	40	0 " "
55 " " " " 60 " .. .. .	50	0 " "
60 " " " " 65 " .. .. .	60	0 " "
65 " " " " 70 " .. .. .	65	0 " "
70 " " upwards .. .. .	70	0 " "

These bonuses are inclusive of, and not in addition to, those declared in March, 1928, and are guaranteed for a period of fourteen years to 4th March, 1943.

In the Irish Free State the surplus is proportionately less than in the United Kingdom. It has therefore been decided that the above rates of bonus for policies issued before 1st January, 1923, shall apply only to participating policies in force in the Irish Free State which become claims by death or maturity of endowment between 8th March, 1929, and 8th March, 1930, both dates inclusive.

The total amount which has been allotted under our profit-sharing scheme since its initiation by way of bonus to the Industrial Branch policyholders and outdoor staff is £19,716,423, made up as follows:—

Year.	Outdoor Staff.	Policyholders.	TOTAL.
	£	£	£
From March, 1908, to March, 1923	805,920	2,960,000	3,765,920
March, 1924	227,642	906,650	1,134,292
March, 1925	387,097	1,719,301	2,106,398
March, 1926	440,945	2,097,737	2,538,682
March, 1927	468,750	2,500,000	2,968,750
March, 1928	500,000	2,916,667	3,416,667
March, 1929	520,408	3,265,306	3,785,714
	<u>£3,350,762</u>	<u>£16,365,661</u>	<u>£19,716,423</u>

The important changes in the organisation of the work of the Industrial Branch both at Chief Office and among the Superintendency and Agency Staff have resulted in a progressive decrease in the rate of expenditure in this branch, as shown by the following table:—

Year.	Expense Ratio per cent. of Total Premiums received.	Year.	Expense Ratio per cent. of Total Premiums received.
1920	40.50	1925	26.59
1921	38.92	1926	25.90
1922	32.12	1927	25.47
1923	29.74	1928	24.89
1924	27.86		

The further reduction in the expense ratio has enabled the Directors to grant Free Policies to holders of Industrial Branch policies on which premiums have been discontinued after payment of one year's premiums provided age 10 has been attained, and it is guaranteed that the total amount payable on a claim arising under such Free Policies will be at least equal to the proportion of the original sum assured that the number of complete years' premiums paid bears to the total number payable under the terms of the policy. This concession applies to all policies the payment of premiums on which was discontinued after 31st December, 1927, in Great Britain and Northern Ireland.

The Directors deplore the loss of two of their colleagues. Their Chairman, MR. ALFRED CORDEROY THOMPSON, died on the 9th November, 1928. Mr. Thompson had been in the service of the Company for more than 56 years. He became General Manager in 1912 and had previously held the successive appointments of Sub-Manager, Assistant Manager and Joint General Manager. He was elected to the Board in March, 1917, whilst still General Manager, which position he resigned in September, 1920, when he became Chairman. That his success as a leader and administrator was appreciated by the insurance world is evidenced by his Chairmanship and Presidency of other insurance organisations. The progress of our Company is due in no small measure to his experience of our business, his considered decisions and his great gift of leadership, and he will always be held in respectful and affectionate memory by all who came in contact with him. SIR JOHN PAGET MELLOR, Bt., K.C.B., died on the 4th February, 1929, at the age of 66, after a few days' illness. Sir John was elected to the Board on the 1st November, 1923, and had thus completed five years of service; his ripe experience of affairs, gained during a distinguished public career, was placed unselfishly at the service of the Company and has been of inestimable benefit.

The Board have elected MR. EDGAR HORNE as their Chairman and MR. FREDERICK SCHOOLING as Deputy Chairman. The two vacancies in the Directorate have been filled by the appointment of SIR GEORGE LEWIS BARSTOW, K.C.B., and SIR LAURENCE NUNNS GUILLEMARD, G.C.M.G., K.C.B., who now offer themselves for election.

The retiring Directors are MR. GUY PHILIP HARBEN, SIR JOHN HENRY LUSCOMBE and LIEUT.-COLONEL PERCY LESTER REID, who offer themselves for re-election.

The Directors regret the retirement during the year of Mr. WILLIAM HENRY NICHOLLS, who has been one of the Auditors of the Company since 1904, and they have appointed The HONOURABLE BERNARD FRANCIS ROLLO, a qualified shareholder, to fill the vacancy. Mr. FRANK HAYCRAFT and The HONOURABLE BERNARD FRANCIS ROLLO offer themselves for re-election as Auditors.

Messrs. DELOITTE, PLENDER, GRIFFITHS & Co. have examined the securities, and their certificate is appended to the balance sheets.

EDGAR HORNE,  
Chairman.

HOLBORN BARS,  
21st February, 1929.

## REVENUE ACCOUNT OF THE ORDINARY BRANCH

For the Year ending 31st December, 1928, in respect of Life Assurance Business.

	£	s.	d.		£	s.	d.
Amount of life assurance fund at the beginning of the year .. ..	84,040,488	17	9	Claims under policies paid and outstanding:—			
Premiums .. .. .	11,778,846	17	9	By death ..	£2,054,279	18	8
Consideration for annuities granted..	105,680	8	2	By maturity..	7,685,676	5	6
Interest and dividends .. £4,649,764	16	3		9,739,956	4	2	
Less income tax .. 620,011	1	1		Surrenders .. .. .	1,050,522	12	9
	4,029,753	15	2	Bonuses surrendered for cash ..	123,701	15	8
	£99,954,769	18	10	Annuities .. .	148,063	13	7
				Commission .. .. .	649,419	13	8
				Expenses of management .. ..	626,444	6	4
				Transfer to Investments reserve fund	250,000	0	0
				Transfer to Profit and Loss account..	281,368	0	0
				Amount of life assurance fund at the end of the year .. .. .	87,105,293	12	8
					£99,954,769	18	10

NOTE.—During the year 80,374 policies were issued for a sum assured of £17,401,000 12s. 2d. The amount received by way of single premiums was £1,146,809 12s. 9d. The yearly renewal premium income was £1,072,977 8s. 6d.

## REVENUE ACCOUNT OF THE INDUSTRIAL BRANCH

For the Year ending 31st December, 1928, in respect of Industrial Assurance Business.

	£	s.	d.		£	s.	d.
Amount of Industrial assurance fund at the beginning of the year ..	108,216,335	9	4	Claims under policies paid and outstanding:—			
Premiums .. .. .	17,143,456	2	6	By death ..	£4,626,531	1	5
Interest, dividends and rents .. £8,135,487	9	2		By maturity ..	5,644,594	10	5
Less income tax .. 338,494	13	3		10,271,125	11	10	
	5,796,992	15	11	Surrenders .. .	1,342,375	5	8
	£131,156,784	7	9	Commission .. .. .	2,632,104	10	5
				Expenses of management ..	£2,311,677	14	9
				Less amount received from General Branch for Approved Societies' expenses ..	675,929	18	8
				1,635,747	16	1	
				Transfer to Investments reserve fund	250,000	0	0
				Bonus allocation to members of Company's outdoor staff ..	620,000	0	0
				Transfer to Profit and Loss Account	600,000	0	0
				Transfer to Common Contingency Fund .. .. .	250,000	0	0
				Transfer to Special Contingency Fund .. .. .	750,000	0	0
				Amount of Industrial assurance fund at the end of the year .. .. .	113,108,000	0	0
	£131,156,784	7	9		£131,156,784	7	9

NOTE.—During the year 2,219,712 policies were issued, for a maximum sum assured of £58,511,000.

## REVENUE ACCOUNTS OF THE GENERAL BRANCH

For the Year ending 31st December, 1928.

## Fire Insurance Business.

	£	s.	d.		£	s.	d.
Amount of fire insurance fund at the beginning of the year :—				Claims under policies paid and outstanding .. .. .	385,901	18	7
Reserve for unexpired risks .. .. .	£263,395	9	0	Commission .. .. .	171,169	13	10
Additional reserve .. .. .	263,395	9	0	Expenses of management .. .. .	146,017	12	1
				Contributions to fire brigades .. .. .	1,136	0	1
Premiums .. .. .			526,790 18 0	Transfer to Profit and Loss account .. .. .	14,246	13	9
Interest and dividends .. .. .	£44,847	7	2	Amount of fire insurance fund at the end of the year :—			
Less Income Tax .. .. .	6,270	8	5	Reserve for unexpired risks, being 40 per cent. of the premium income for the year	£306,208	3	2
			765,520 7 11	Additional reserve brought forward .. .. .	263,395	9	0
				Add from 1928 Surplus .. .. .	42,812	14	2
			38,576 18 9				
					612,416	6	4
					£1,330,888	4	8
					£1,330,888	4	8

## Sickness and Accident Insurance Business.

	£	s.	d.		£	s.	d.
Amount of sickness and accident insurance fund at the beginning of the year :—				Payments under policies, including medical and legal expenses in connection therewith .. .. .	43,928	4	8
Reserve for unexpired accident risks .. .. .	£49,099	18	0	Commission .. .. .	17,206	3	7
Reserve for sickness risks .. .. .	31,947	0	0	Expenses of management .. .. .	35,024	3	9
Total estimated liability in respect of outstanding claims .. .. .	8,585	0	0	Amount transferred to Industrial Branch for Approved Societies' expenses .. .. .	675,929	18	8
Additional reserve for accident risks :—				Transfer to Profit and Loss account .. .. .	33,593	2	10
Renewable .. .. .	34,056	0	0	Amount of sickness and accident insurance fund at the end of the year :—			
Annual .. .. .	19,700	13	9	Reserve for unexpired risks, being 40 per cent. of the premium income for the year for accident risks	£49,588	6	4
			143,388 11 9	Reserve for permanent sickness risks .. .. .	33,320	0	0
Premiums :—				Total estimated liability in respect of outstanding claims .. .. .	9,556	6	0
Accident .. .. .	£123,970	15	11	Additional reserve for accident risks :—			
Permanent sickness .. .. .	6,628	8	10	Renewable .. .. .	31,285	0	0
			130,599 4 9	Annual, brought forward .. .. .	19,700	13	9
Interest and dividends .. .. .	£11,100	12	0	Add from 1928 Surplus .. .. .	10,334	6	7
Less Income Tax .. .. .	1,552	1	0				
			9,548 11 0		153,784	12	8
Amount received from Approved Societies for expenses .. .. .							
					£959,466	6	2
					£959,466	6	2

## REVENUE ACCOUNTS OF THE GENERAL BRANCH—continued.

Employers' Liability Insurance Business transacted within the United Kingdom,  
excluding the Irish Free State.

Amount of employers' liability insurance fund at the beginning of the year :—		£	s.	d.	Payments under policies, including medical and legal expenses in connection therewith		£	s.	d.
Reserve for unexpired risks	£30,793	0	2		Commission	37,812	8	2	
Total estimated liability in respect of outstanding claims	34,491	16	0		Expenses of management	6,929	0	6	
Additional reserve	33,045	12	0		Transfer to Profit and Loss account	21,428	12	7	
					Amount of employers' liability insurance fund at the end of the year :—				
Premiums				98,330	8	2			
Interest and dividends	£6,638	12	10	79,643	18	11			
Less income tax	928	3	11		Reserve for unexpired risks, being 40 per cent. of the premium income for the year	£31,857	11	7	
				5,710	8	11			
					Total estimated liability in respect of outstanding claims	38,000	0	0	
					Additional reserve brought forward	33,045	12	0	
					Add from 1928 Surplus	1,135	13	11	
									104,038 17 6
									<u>£183,684 16 0</u>

## Employers' Liability Insurance Business transacted within the Irish Free State.

Amount of employers' liability insurance fund at the beginning of the year :—		£	s.	d.	Payments under policies, including medical and legal expenses in connection therewith		£	s.	d.
Reserve for unexpired risks	£298	6	4		Commission	1,002	6	10	
Total estimated liability in respect of outstanding claims	825	0	0		Expenses of management	66	8	10	
				1,123	6	4			
Premiums				763	14	3			
Interest and dividends	£1,000	0	0		Transfer to Profit and Loss account	472	10	1	
Less income tax	139	16	4		Amount of employers' liability insurance fund at the end of the year :—				
				860	3	8			
					Reserve for unexpired risks, being 40 per cent. of the premium income for the year	£305	9	9	
					Total estimated liability in respect of outstanding claims	695	0	0	
									1,000 9 9
									<u>£2,747 4 3</u>

## Miscellaneous Insurance Business.

Amount of miscellaneous insurance fund at the beginning of the year :—		£	s.	d.	Claims under policies paid and outstanding		£	s.	d.
Reserve for unexpired risks	£118,602	2	9		Commission	146,230	0	5	
Additional reserve	118,602	2	9		Expenses of management	63,193	1	3	
				237,204	5	6			
Premiums				331,169	13	11			
Fees				3,314	11	1			
Interest and dividends	£22,081	2	10		Transfer to Profit and Loss account	79,521	14	10	
Less Income Tax	3,087	6	4		Amount of miscellaneous insurance fund at the end of the year :—				
				18,993	16	6			
					Reserve for unexpired risks, being 40 per cent. of the premium income for the year	£132,467	17	7	
					Additional reserve brought forward	118,602	2	9	
					Add from 1928 Surplus	13,865	14	10	
									264,935 15 9
									<u>£590,682 7 0</u>

## Sinking Fund Insurance Business.

Amount of sinking fund insurance fund at the beginning of the year		£	s.	d.	Claims under policies paid and outstanding		£	s.	d.
Premiums				310,283	0	0			
Interest and dividends	£25,616	19	10	78,433	3	10			
Less income tax	3,581	13	10		Surrenders	21,050	19	9	
				22,035	6	0			
					Commission	1,567	7	4	
					Expenses of management	1,568	13	3	
					Transfer to Profit and Loss account	11,054	9	6	
					Amount of sinking fund insurance fund at the end of the year	375,510	0	0	
									<u>£410,751 9 10</u>

## REVENUE ACCOUNTS OF THE GENERAL BRANCH—continued.

## Marine Insurance Business.

		£	s.	d.			£	s.	d.
Amount of marine insurance fund at the beginning of the year .. .. .		833,977	12	0	Claims under policies paid and outstanding .. .. .		541,184	0	11
Premiums, after deduction of reinsurances, commission, discounts, brokerages and returns .. .. .		367,588	10	6	Expenses of management .. .. .		24,958	7	9
Interest and dividends .. .. .	£32,809	4	2		Amount of marine insurance fund at the end of the year .. .. .		697,088	5	0
Less income tax .. .. .	3,629	18	7						
		29,179	5	7					
Income tax .. .. .		32,265	2	4					
Profit on exchange .. .. .		220	3	3					
		<u>£1,263,230</u>	<u>13</u>	<u>8</u>			<u>£1,263,230</u>	<u>13</u>	<u>8</u>

## REVENUE ACCOUNT OF THE COMMON CONTINGENCY FUND

For the Year ending 31st December, 1928.

		£	s.	d.			£	s.	d.
Amount of Common Contingency fund at the beginning of the year .. .. .		1,250,000	0	0	Amount of Common Contingency fund at the end of the year .. .. .		1,546,141	11	8
Interest and dividends .. .. .		46,141	11	8					
Transfer from Industrial Branch Revenue account .. .. .		250,000	0	0					
		<u>£1,546,141</u>	<u>11</u>	<u>8</u>			<u>£1,546,141</u>	<u>11</u>	<u>8</u>

## REVENUE ACCOUNT OF THE SPECIAL CONTINGENCY FUND

For the Year ending 31st December, 1928.

		£	s.	d.			£	s.	d.
Amount of Special Contingency fund at the beginning of the year .. .. .		847,621	12	10	Amount of Special Contingency fund at the end of the year .. .. .		1,361,971	10	2
Interest and dividends .. .. .		31,016	10	8					
Transfer from Industrial Branch Revenue account .. .. .		483,333	6	8					
		<u>£1,361,971</u>	<u>10</u>	<u>2</u>			<u>£1,361,971</u>	<u>10</u>	<u>2</u>

## PROFIT AND LOSS ACCOUNT

For the Year ending 31st December, 1928.

		£	s.	d.			£	s.	d.
Balance from last year's account :—					Dividend to holders of "A" shares in respect of the year 1927 .. .. .		900,000	0	0
Industrial Branch .. .. .		900,000	0	0	Income tax (General Branch) :—				
General Branch .. .. .		84,140	8	7	Paid .. .. .	£17,251	19	8	
Transfer from Ordinary Branch Revenue account .. .. .		261,368	0	0	Reserved .. .. .	23,748	0	4	
Transfer from Industrial Branch Revenue account .. .. .		663,632	0	0	Balances carried to :—		41,000	0	0
Transfer from General Branch Revenue accounts, being balance of profit, after allocating £68,148 9s. 6d. to additional reserves :—					(a) Industrial Branch Balance Sheet, being allocation of profits for 1928 to holders of "A" shares .. .. .		925,000	0	0
Fire insurance .. .. .		14,246	13	9	(b) General Branch Balance Sheet, being allocation of profits for 1928 :—				
Sickness and Accident insurance .. .. .		33,593	2	10	to holders of				
Employers' Liability insurance (British) .. .. .		13,475	17	3	"A" shares .. .. .	£16,666	13	4	
Employers' Liability insurance (Irish Free State) .. .. .		472	10	1	to holders of				
Miscellaneous insurance .. .. .		36,801	15	4	"B" shares .. .. .	50,000	0	0	
Sinking Fund insurance .. .. .		11,054	9	6	and amount carried forward .. .. .	66,666	13	4	
		<u>£2,018,784</u>	<u>17</u>	<u>4</u>			86,118	4	0
							152,784	17	4
					after transferring—				
					£500,000 to Investments reserve funds,				
					£250,000 to Common contingency fund,				
					£483,333 6s. 8d. to Special Contingency fund,				
					allocating—				
					£520,408 3s. 4d. to or on behalf of members of the Company's outdoor staff,				
					and reserving for bonus—				
					£2,365,902 to policyholders, Ordinary Branch, and				
					£3,265,306 1s. 4d. to policyholders, Industrial Branch.				
		<u>£2,018,784</u>	<u>17</u>	<u>4</u>			<u>£2,018,784</u>	<u>17</u>	<u>4</u>



the 31st December, 1928.

ASSETS.	Ordinary Branch.		Industrial Branch.		General Branch.		Common Contingency Fund.		Special Contingency Fund.		Total.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Estates on property within the United Kingdom excluding the Irish Free State	5,809,290	11 3	2,156,480	19 10	—	—	—	—	—	—	7,965,771	11 1
Estates on property within the Irish Free State	4,614	4 9	—	—	—	—	—	—	—	—	4,614	4 9
Estates on property out of the United Kingdom	2,476,150	18 8	3,469,046	19 0	—	—	—	—	—	—	5,945,203	15 8
Investments outside the United Kingdom without specific security	64,899	5 11	17,247	5 8	—	—	—	—	—	—	82,146	11 7
Investments on parochial and other public rates	2,469,952	0 9	8,401,178	5 4	—	—	—	—	—	—	10,881,128	6 1
Investments on Life interests	248,274	16 2	381,833	12 0	—	—	—	—	—	—	629,908	8 2
Investments on Reversions	7,514	14 8	19,000	0 0	—	—	—	—	—	—	26,514	14 8
Investments on Stocks and shares	348,667	17 2	572,485	10 5	—	—	—	—	—	—	921,153	7 7
Investments on Company's policies within their surrender values	6,192,701	11 1	—	—	—	—	—	—	—	—	6,192,701	11 1
Investments on Personal security	—	—	—	—	—	—	—	—	—	—	—	—
Investments on Educational Institutions secured on income	13,217	8 3	100	12 11	—	—	—	—	—	—	13,318	1 2
Investments —												
Deposits with the High Court:—												
117,122 14s. 5% War Loan 1928-1947	16,080	19 1	—	—	—	—	—	—	—	—	16,080	19 1
20,000 5% War Loan 1928-1947	—	—	20,000	0 0	—	—	—	—	—	—	20,000	0 0
21,100 5% Treasury Bonds 1933/35	—	—	—	—	19,981	5 0	—	—	—	—	19,981	5 0
Deposits with the Supreme Court of Judicature in Irish Free State:—												
20,000 5% War Loan 1928-1947	20,000	0 0	—	—	—	—	—	—	—	—	20,000	0 0
20,000 5% War Loan 1928-1947	—	—	—	—	20,000	0 0	—	—	—	—	20,000	0 0
Irish Government securities guaranteed by British Government under Trades Facilities Acts	24,633,425	6 1	31,600,191	4 3	788,492	7 8	1,500,000	0 0	1,351,167	4 5	59,873,276	2 0
Bank of England stock	1,723,973	11 0	5,118,698	1 6	37,925	0 0	31,556	0 0	14,504	0 0	6,926,656	12 6
Municipal and county securities, United Kingdom	153,814	0 0	—	—	—	—	—	—	—	—	153,814	0 0
Indian and Colonial Government securities	1,964,920	6 11	3,957,296	19 9	29,397	17 6	—	—	—	—	5,951,615	4 2
Indian and Colonial provincial securities	4,100,932	16 5	4,158,730	7 2	58,700	10 1	25,958	0 0	—	—	8,344,322	2 8
Indian and Colonial municipal securities	272,744	6 10	68,803	15 2	—	—	—	—	—	—	341,548	2 0
Foreign Government securities	1,931,595	8 1	809,188	16 6	—	—	—	—	—	—	2,740,784	4 7
Foreign provincial securities	5,137,854	4 6	5,470,643	8 6	469,326	8 11	—	—	—	—	11,077,824	1 11
Foreign municipal securities	767,045	14 1	1,059,918	16 11	72,881	19 4	—	—	—	—	1,899,846	10 4
Other securities	1,361,942	17 7	1,393,310	10 3	68,893	5 0	—	—	—	—	2,824,146	12 10
Debentures and other debentures and sterling bonds—Home and Foreign	12,904,099	5 2	17,690,670	17 4	457,133	0 6	—	—	—	—	31,051,903	3 0
Debentures and other preference and guaranteed stocks and shares	6,883,669	10 0	9,049,828	1 1	123,797	2 11	—	—	—	—	16,057,294	14 0
Debentures and other ordinary stocks and shares	10,976,708	3 1	11,352,798	5 4	519,562	0 10	—	—	—	—	22,849,068	9 3
Interest charges	175,904	10 7	—	—	—	—	—	—	—	—	175,904	10 7
Unpaid ground rents and Scotch feu duties	—	—	4,825,473	5 11	—	—	—	—	—	—	4,825,473	5 11
Residual ground rents	—	—	4,506	10 4	—	—	—	—	—	—	4,506	10 4
House property	—	—	6,532,642	11 7	—	—	—	—	—	—	6,532,642	11 7
Life interests	35,429	4 1	—	—	—	—	—	—	—	—	35,429	4 1
Reversions	379,395	4 9	—	—	—	—	—	—	—	—	379,395	4 9
Trustees' balances	—	—	—	—	100,497	12 9	—	—	—	—	100,497	12 9
Outstanding premiums	577,568	1 4	746,736	4 3	129,128	12 0	—	—	—	—	1,453,432	17 7
Outstanding interest, dividends and profits	216,057	2 7	84,982	14 0	550	0 0	—	—	—	—	301,589	16 7
Profits, dividends and rents accrued but not payable from other Companies on re-insurance Account	541,935	0 0	494,023	6 0	1,270	0 0	—	—	—	—	1,037,228	6 0
Due to other Companies on re-insurance Account	—	—	—	—	308,699	0 11	—	—	—	—	308,699	0 11
Due to other Companies on re-insurance Account	5,068	15 9	27,614	9 6	2,803	19 6	—	—	—	—	35,487	4 9
Due to other Companies on re-insurance Account	295,000	0 0	373,602	18 2	—	—	—	—	—	—	668,602	18 2
Due to other Companies on re-insurance Account	—	—	—	—	621	1 9	—	—	—	—	621	1 9
Deposits —												
In the United Kingdom	—	—	100,000	0 0	—	—	—	—	—	—	100,000	0 0
Abroad	40,271	16 8	80,543	13 5	86,130	4 2	—	—	—	—	206,945	14 3
Hand and on current account:—												
In the United Kingdom	100	0 0	113,501	17 2	16,521	18 4	162	19 7	4,786	1 8	135,072	16 9
Abroad	25,340	8 3	29,011	18 9	24,263	17 5	—	—	—	—	78,616	4 5
	£92,766,165	19 6	£120,179,889	18 0	£3,336,577	13 2	£1,557,676	19 7	£1,370,457	6 1	£219,210,767	16 4

We report that, with the assistance of the Chartered Accountants as stated below, we have examined the foregoing accounts and have obtained all the information and explanations that we have required and in our opinion such accounts are correct and the foregoing Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

No part of any fund has been applied directly or indirectly for any purposes other than those of the class of business to which the fund is applicable.

We have investigated the methods of calculating and apportioning the expenses of management and the accounts thereof and in our opinion the accounts show a fair and equitable apportionment of the expenses between the Industrial and other Branches of the Company's business.

F. HAYCRAFT, }  
B. F. ROLLO, } Auditors.

We have examined the Cash transactions (Receipts and Payments) affecting the accounts of the Securities and Investments for the year ended 31st December, 1928, and we find the same in good order and properly vouched. We have also examined the Deeds, Share Certificates and Bonds in possession of the Company, and have verified by Certificates of Bankers or other Depositories the Securities and Cash in their custody, which together represent the Securities, Investments and Cash set out in the above account as on the 31st December, 1928.

DELOITTE, PLENDER, GRIFFITHS & CO.,  
Chartered Accountants.

19th February, 1929.

The  
Prudential  
Assurance Company  
LIMITED  
HOLBORN BARS, LONDON,  
ENGLAND



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DIRECTORS' REPORT  
AND  
STATEMENT OF ACCOUNTS  
at 31st December, 1928

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To be presented to the Shareholders at  
the Ordinary General Meeting to be held  
at Holborn Bars, London, on Thursday,  
the 7th day of March, 1929, at 2 o'clock

H.W.V. (6363)—17-2-29

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