

PRUDENTIAL ASSURANCE COMPANY
LIMITED.

THIRTY-EIGHTH ANNUAL REPORT,

FOR THE YEAR ENDING 31ST DECEMBER 1886.

THE DIRECTORS have much pleasure in presenting their Report and Accounts for the year 1886.

The Assurance Funds have been increased during the year by the sum of £1,122,054: namely, the Ordinary Branch £319,496, and the Industrial Branch £802,558. The total assets of the Company amount to £6,811,954.

ORDINARY BRANCH.

The number of policies issued during the year was 25,567, assuring the sum of £2,715,429 and producing a New Annual Premium Income of £125,604.

The Premiums of the year were £396,940, being an increase of £93,665 over the year 1885. The total increase for the Quinquennium is £255,683.

The claims of the year amounted to £135,361. The number of Deaths was 944, and 40 Endowment Assurances matured.

The rate of expenditure of the Branch was little more than Ten per cent. on the Premium Income.

The number of Policies in force was 85,089.

INDUSTRIAL BRANCH.

The Premiums received during the year were £2,911,295, being an increase of £116,773.

The Claims of the year amounted to £1,123,428. The number of Deaths was 135,851.

The rate of expenditure of the Branch shows a slight reduction.

The number of Policies in force, including 58,099 Free Policies, was 7,111,828.

The year 1886 is the last year of the Quinquennium over which the valuation of the business of the Company extends. The Quinquennial Report of the Directors, together with the Reports of the Actuaries, will be presented to the Annual Meeting.

A supplement to this Report will also be submitted, showing how the assets of the Company are invested.

An alteration has been made in the Regulations of the Company, empowering the Directors in future to pay an interim bonus upon all Participating Policies on their becoming Claims, in respect of any Premiums paid subsequent to the last distribution of profits.

The tables of the Industrial Branch have been again revised, and additional advantages are secured to the assured which the Directors believe will yet further enhance the popularity of the Company.

The retiring Directors are Mr. EDGAR HORNE and Dr. ROBERT BARNES, who offer themselves for re-election.

The Auditors, MESSRS. ALLANSON, COLE and WHARRIE, also offer themselves for re-election.

HOLBORN BARS,
17th February 1887.

EDGAR HORNE,
Chairman.

GENERAL BALANCE SHEET OF THE PRUDENTIAL ASSURANCE COMPANY LIMITED
ON THE 31ST DECEMBER 1886.

LIABILITIES.				£	s.	d.	ASSETS.				£	s.	d.
Shareholders' capital	...	...	...	80,028	0	0	British Government securities, Consols and New 3 per cents.				1,003,325	18	7
Ordinary Branch funds	...	...	...	1,765,193	15	6	Metropolitan Board of Works Stock and City of London Bonds				152,443	10	0
Industrial Branch funds	...	...	...	4,937,003	4	4	Bank of England Stock	...	...	...	29,483	6	10
Claims under life policies admitted	...	...	...	29,728	18	4	Loans on Municipal and other Rates	...	...	...	1,468,459	19	10
							Freehold Ground Rents and Scotch Feu Duties	...	...	...	1,316,532	1	7
							Freehold and leasehold property	...	...	...	614,169	4	5
							Indian, Colonial, and Foreign Government securities	...	...	...	234,331	15	0
							Reversions	...	...	...	129,389	2	3
							Railway and other Debentures	...	...	...	859,476	17	11
							Railway and other shares	...	...	...	20,471	2	9
							Mortgages	...	...	...	577,740	13	1
							Loans on the company's policies	...	...	...	47,145	4	0
							Furniture and fittings	...	...	...	20,500	0	0
							Loans upon personal security	...	...	...	712	10	0
							Outstanding premiums	...	...	...	145,176	15	0
							Cash in hands of Superintendents and Agents' balances	...	...	...	39,153	12	8
							Outstanding interest and rents	...	...	...	63,106	2	4
							Cash—On deposit, on current account, and in hand	...	...	...	90,336	1	11
				<u>£6,811,953</u>	<u>18</u>	<u>2</u>					<u>£6,811,953</u>	<u>18</u>	<u>2</u>

LIFE ASSURANCE COMPANIES ACT, 1870.—THIRD SCHEDULE.

REVENUE ACCOUNTS OF THE PRUDENTIAL ASSURANCE COMPANY LIMITED (ORDINARY BRANCH)
FOR THE YEAR ENDING 31ST DECEMBER 1886.

(No. 1.) LIFE ASSURANCE ACCOUNT.

	£	s.	d.		£	s.	d.
Amount of life assurance fund at the beginning of the year ...	1,445,119	13	3	Claims under life policies (after deduction of sums re-assured) ...	135,360	18	10
Premiums, after deduction of re-assurance premiums:—				Surrenders	7,499	7	11
New premiums	£111,115	2	3	Annuities	14,386	19	11
Renewals	285,825	6	5	Commission	29,693	1	5
				Expenses of management	11,275	12	3
			396,940	8	8		
Consideration for annuities granted			65,150	16	3		
Interest and rents			57,105	2	0		
			£1,964,316	0	2		
				Amount written off House property	1,500	0	0
				Amount of life assurance fund at the end of the year, as per Fourth Schedule	1,764,599	19	10
					£1,964,316	0	2

(No. 2.) SICKNESS AND ASSURANCE ACCOUNT.

	£	s.	d.		£	s.	d.
No new business transacted for many years.				Claims	39	4	3
Amount of sickness and assurance fund at the beginning of the year			577	15	0		
Premiums			32	1	5		
Interest			24	7	6		
			£634	3	11		
				Commission	1	4	0
				Sickness and assurance fund at the end of the year, as per Fourth Schedule	593	15	8
					£634	3	11

LIFE ASSURANCE COMPANIES ACT, 1870.—FOURTH SCHEDULE.

BALANCE SHEET OF THE PRUDENTIAL ASSURANCE COMPANY LIMITED (ORDINARY BRANCH)
ON THE 31ST DECEMBER 1886.

LIABILITIES.				ASSETS.			
	£	s.	d.		£	s.	d.
Life assurance fund	1,764,599	19	10	Mortgages on property within the United Kingdom ...	555,376	17	1
Sickness and assurance fund	593	15	8	Loans on the company's policies	47,145	4	0
Claims under life policies admitted	1,790	0	4	Investments:—			
				In British Government securities (£355,000 Consols) ...	350,218	13	7
				Bank of England Stock	29,483	6	10
				Indian and Colonial securities	222,250	3	6
				Foreign ditto	12,081	11	6
				Metropolitan Board of Works Stock	102,568	10	0
				Railway and other Debentures and Debenture Stocks ...	130,502	6	9
				Ditto shares (Preference and Ordinary)	20,471	2	9
				House property	84,939	8	11
				Reversions	105,691	19	10
				Agents' balances	18,025	17	4
				Outstanding premiums	12,191	0	2
				Ditto interest and rents	12,167	9	9
				Cash—			
				On deposit	£48,000	0	0
				On current account	15,770	3	10
				In hand	100	0	0
					63,870	3	10
					£1,766,983	15	10
	£1,766,983	15	10				

THOS. C. DEWEY.
WILLIAM HUGHES } *Managers.*
W. J. LANCASTER, *Secretary.*

EDGAR HORNE, *Chairman.*
HENRY HARBEN, } *Directors.*
PATRICK FRASER, }

We have examined, month by month, the various receipts and payments of the Prudential Assurance Company Limited.
We have also examined the foregoing Accounts, find them to be correct, and hereby confirm the same. We have seen and examined the various securities.

JAMES ALLANSON, } *Auditors.*
THOMAS WHARRIE, }
THOMAS HENRY COLE, }

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LIFE ASSURANCE COMPANIES ACT, 1870.—THIRD SCHEDULE.

REVENUE ACCOUNT OF THE PRUDENTIAL ASSURANCE COMPANY LIMITED (INDUSTRIAL BRANCH)
FOR THE YEAR ENDING 31ST DECEMBER 1886.

LIFE ASSURANCE ACCOUNT.

	£	s.	d.		£	s.	d.
Amount of life assurance fund at the beginning of the year ...	4,034,445	5	0	Claims under life policies ...	1,123,427	13	10
Contingency Fund transferred ...	100,000	0	0	Surrenders ...	4,706	9	9
Premiums ...	2,911,295	5	9	Commission:—			
Interest and rents ...	153,556	19	7	Salaries of 9,402 Agents for the weekly collection of premium from 7,053,729 policies	£516,659	3	6
				Special New Business charges ...	274,239	6	6
							790,898 10 0
				Expenses of management:—			
				Policy, Postage and Receipt Stamps (Head Office only) ...	£32,782	13	1
				Superintendency charges and Medical fees	116,930	6	3
				Head Office Expenses (including Printing and Advertising) ...	185,546	18	1
							335,259 17 5
				Amount written off House property ...	2,000	0	0
				Ditto Furniture and fittings ...	1,000	0	0
				Dividends to Shareholders ...	5,001	15	0
				Amount of life assurance fund at the end of the year, as per Fourth Schedule ...	4,937,003	4	4
							£7,199,297 10 4
							£7,199,297 10 4

LIFE ASSURANCE COMPANIES ACT, 1870.—FOURTH SCHEDULE.

BALANCE SHEET OF THE PRUDENTIAL ASSURANCE COMPANY LIMITED (INDUSTRIAL BRANCH)
ON THE 31ST DECEMBER 1886.

LIABILITIES.			£	s.	d.	ASSETS.			£	s.	d.
Shareholders' capital	...	...	£80,028	0	0	Mortgages on property within the United Kingdom	...	...	22,363	16	0
Life assurance fund	...	...	4,937,003	4	4	Loans on Municipal and other Rates	...	...	1,468,459	19	10
						City of London Corporation Bonds	...	...	49,875	0	0
						Investments:—					
Claims under life policies admitted	...	...				In British Government securities (£660,000 New 3 per cents.)	...	...	653,107	5	0
						Railway and other Debentures and Debenture Stocks	...	...	728,974	11	2
						Freehold Ground Rents	...	...	1,309,032	6	1
						House property—					
						Freehold	...	...	£524,664	10	10
						Leasehold	...	...	4,565	4	8
									529,229	15	6
						Scotch Feu Duties	...	...	7,499	15	6
						Reversions	...	...	23,697	2	5
						Furniture and fittings	...	...	20,500	0	0
						Loans upon personal security	...	...	712	10	0
						Agents' balances	...	...	4,141	9	1
						Outstanding premiums	...	...	132,985	14	10
						Outstanding interest and rents	...	...	50,938	12	7
						Cash in hands of Superintendents	...	...	16,986	6	3
						Cash—					
						On current account	...	...	£26,215	18	1
						In hand	...	...	250	0	0
									26,465	18	1
									£5,044,970	2	4
									£5,044,970	2	4

THOS. C. DEWEY,
WILLIAM HUGHES, } *Managers.*
W. J. LANCASTER, *Secretary.*

EDGAR HORNE, *Chairman.*
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JAMES ALLANSON,
THOMAS WHARRIE, } *Auditors.*
THOMAS HENRY COLE, }

16th February 1887.

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PRUDENTIAL

Assurance Company Limited.



DIRECTORS' REPORT

AND

STATEMENT OF ACCOUNTS

For the Year ending 31st December 1886.



VIALI, CHIFFEY & CO. LONDON.