## PRUDENTIAL ASSURANCE COMPANY

LIMITED.

#### FIFTY-SIXTH ANNUAL REPORT,

For the year ending 31st December, 1904.

THE DIRECTORS have much pleasure in presenting their Report and Accounts for the year 1904.

ORDINARY BRANCH.—The number of Policies issued during the year was 71,874, assuring the sum of £6,954,650 and producing a New Annual Premium Income of £377,587.

The Premiums received during the year were £3,969,016, being an increase of £154,160 over the year 1903.

The Claims of the year amounted to £1,654,753. The number of Deaths was 7,139, and 6,259 Endowment Assurances matured.

The number of Policies in force at the end of the year was 742,147.

INDUSTRIAL BRANCH.—The Premiums received during the year were £5,979,335, being an increase of £132,781.

The Claims of the year amounted to £2,230,180. The number of Deaths was 233,015, and 3,066 Endowment Assurances matured.

The number of Free Policies granted during the year to those Policyholders of five years' standing who desired to discontinue their payments, was 112,606, the number in force being 1,003,377. The number of Free Policies which became Claims during the year was 22,211.

The total number of Policies in force at the end of the year was 15,577,161: their average duration is ten and three-quarter years.

The assets of the Company, in both branches, as shewn in the Balance Sheet, are £55,359,505, being an increase of £4,142,128 over those of 1903.

The Staff Provident Fund, which was founded in 1898 for the benefit of the outdoor staff, shews a satisfactory increase for the year, the total amount standing to the credit of the fund being £138,280.

P00018626

For the valuation the same mortality tables and rate of interest have been used as in previous years, namely, in the Ordinary Branch, the Institute of Actuaries (H<sup>M</sup>.) Table of Mortality for the life risks, and Mr. Finlaison's Government Annuity Table 1884 for the annuities, and in the Industrial Branch, Dr. Farr's English Life Table No. 3. The net premiums only have been valued in both branches, the rate of interest in each case being 3 per cent.

The Valuation as usual has been made by Mr. Schooling and the results are as follows:—

In the Ordinary Branch the surplus shewn is £1,148,965, including the sum of £123,063 brought forward from last year. Out of this surplus the Directors have added £150,000 to the Investments Reserve Fund, which now stands at £800,000.

In the Industrial Branch the surplus shewn is £915,549, including the sum of £354,570 brought forward from last year. Out of this surplus the Directors have added £150,000 to the Reserve Fund, which now stands at £1,500,000.

The total surplus of the two branches, as shewn by the valuation, is thus £2,064,514, which is disposed of as follows: £150,000 has been added to the Investments Reserve Fund of the Ordinary Branch, and £150,000 has been added to the Reserve Fund of the Industrial Branch; £1,202,867 is distributable among the participating Policyholders and Shareholders, in accordance with the Regulations of the Company under its special Act of Parliament, leaving £561,647 to be carried forward, namely, £176,249 in the Ordinary Branch and £385,398 in the Industrial Branch.

The retiring Directors are Mr. Edgar Horne, Dr. Robert Barnes, and Mr. Percy T. Reid, who offer themselves for re-election.

The appointment of Mr. WILLIAM EDGAR HORNE who has been elected a Director during the year, is now, in accordance with the Regulations of the Company, submitted to the Shareholders for confirmation.

The Directors regret to have to report the death in August last of Mr. Archibald Day who had been one of the Auditors of the Company since 1893. The vacancy thus created has been temporarily filled by the appointment by the Directors of a qualified Shareholder, Mr. W. H. NICHOLLS. Messrs. Secretar and Nicholls offer themselves for re-election.

Messrs. Deloitte, Dever, Griffiths & Co. have examined the Securities, and their certificate is appended to the Balance Sheets.

EDGAR HORNE,

Chairman.

P00018627

Holborn Bars, 16th February, 1905.

# 0357-003

P00018628

## GENERAL BALANCE SHEET OF THE PRUDENTIAL ASSURANCE COMPANY LIMITED, BEING THE SUMMARY OF BOTH BRANCHES, ON THE 31ST DECEMBER, 1904.

LITIES. £ s. d. ASSETS.	<b>.</b>		£	s.	d
1,000,000 0 0 British Government securities	•••		3,352,296	3 0	
2,300,000 0 0 Indian and Colonial government se	curities		5,127,750	<b>3</b> 19	•
51,911,568 7 0 Railway and other debentures and and sterling bonds	debenture sto	_	d 4,556,186	) 8	. (
itted 147,936 16 5 Loans on County Council, Municip	oal, and other	rates	12,956,385	2 10	
Freehold ground rents, and Scotch	feu duties	***	3,784,32	3 16	
Freehold and leasehold property	•••		3,487,989	2 7	
Mortgages on property within the U	United Kingdo	om .	7,303,050	) 5	,
Railway, Gas, and Water stocks	***		7,408,31	1 15	,
Suez Canal shares	•••		165,749	2 7	
Telegraph and other shares			97,789	9 2	•
Metropolitan Consolidated stock, and	d City of Lond	don bonds .	267,930	15	,
Bank of England stock	•••		200,559	9 18	Ι.
Colonial and Foreign corporation st	stocks	•••	1,142,05	<b>4</b> 9	•
Foreign government securities	•••		1,149,790	) 8	i
Reversions and Life Interests	•••	•••	1,052,75		
Loans on the company's policies	•••	•••	1,881,959		
Rent charges		•••	308,901		
Outstanding premiums, and agents'	balances	•••	403,073	3 18	
Outstanding interest, and rents		•••	456,268		
Cash—In hands of superintendents	•••		35,158		
Do. On current accounts, and in	n hand	•••	221,23	7 1	
£55,359,505 3 5			£55,359,50	5 3	<b>.</b>

THOS. C. DEWEY, General Manager.

FREDERICK SCHOOLING, Actuary.

D. W. STABLE, Secretary.

EDGAR HORNE, Chairman.
HENRY HARBEN,
THOMAS WHARRIE,
Directors.

We beg to report that, with the assistance of the Chartered Accountants as stated below, we have examined the foregoing accounts and in our opinion they are correct, and the foregoing is a full and fair Balance Sheet properly drawn up, and exhibits a true and correct view of the state of the Company's affairs as shown by the books of the Company.

In accordance with the provisions of "The Companies Act, 1900," we certify that all our requirements as Auditors have been complied with.

PHILIP SECRETAN, Auditors. W. H. NICHOLLS,

We have examined the Cash transactions (receipts and payments) affecting the accounts of the Assets and Investments for the year ended December 31st, 1904, and we find the same in good order and properly vouched. We have also examined the Deeds and Securities, Certificates, &c., representing the Assets and Investments set out in the above account, and we certify that they were in possession and safe custody as on December 31st, 1904.

#### LIFE ASSURANCE COMPANIES ACT, 1870.—THIRD SCHEDULE.

# REVENUE ACCOUNTS OF THE PRUDENTIAL ASSURANCE COMPANY LIMITED (ORDINARY BRANCH) FOR THE YEAR ENDING 31ST DECEMBER, 1904.

Amount of life assurance fund at the		$\pounds$ s. d.	Claims under life policies (after deduction of sums re-assured):—  £ s. d.
beginning of the year $£27,120,3531$	5 0		By Deaths £946,148 2 5
Less amount transferred to the Industrial			By Endowments matured 708,605 4 11
Branch, being proportion of profits 76,826	0 0		1,654,753 7 4
_ A	}	27,043,527 15 0	Surrenders 276,900 6 2
Premiums, after deduction of re-assurance premiums		3,969,016 3 4	Cash bonus to policyholders 94,377 0 0
Consideration for annuities granted		100,897 15 6	Annuities 100,136 18 5
1 1	Ì	946,939 18 10	Commission 239,288 18 5
nterest	••	540,555 16 10	Expenses of management 103,062 16 9
			Amount transferred to investments reserve fund 150,000 0 0
•	ļ		Amount of life assurance fund at the end of the year, as
			per Fourth Schedule 29,441,862 5 7
	ļ	£32,060,381 12 8	£32,060,381 12 8
	!		
(	No.	2) SICKNESS A	SSURANCE ACCOUNT.
		$\pounds$ s. d.	$\pounds$ s. d.
mount of sickness assurance fund at the beginning of	the		Claims 52 0 0
year		589 11 6	Commission and expenses 1 2 10
remiums		13 4 1	Sickness assurance fund at the end of the year as per Fourth
nterest		20 16 11	Schedule 570 9 8
records (1)			
	1	•	
	}-		

0357 <del>-</del>

P00018630

#### LIFE ASSURANCE COMPANIES ACT, 1870.—FOURTH SCHEDULE.

## BALANCE SHEET OF THE PRUDENTIAL ASSURANCE COMPANY LIMITED (ORDINARY BRANCH) ON THE 31st DECEMBER, 1904.

LIABILITIES.		£ s. d.	ASSETS.		$\mathcal{L}$ s. d.
Life assurance fund	£29,441,862 5 7		Mortgages on property within the United Kingdom		5,309,705 8 4
Sickness assurance fund	570 9 8		Loans on the company's policies		1,881,959 1 6
Investments reserve fund	800,000 0 0		Loans on County Council, Municipal and other rates		3,491,476 18 5
		30,242,432 15 3	Rent charges		308,901 7 10
Claims under life policies admitted	***	143,989 18 4	Investments:—		
			In British Government securities	•••	1,420,140 19 10
			Bank of England stock		200,559 18 6
			Metropolitan Consolidated stock	• - •	172,179 10 1
			Indian and Colonial government securities		4,929,485 0 7
			Colonial corporation stocks		504,047 3 4
	•		Foreign government securities		957,450 19 11
			Foreign corporation stocks		421,769 6 9
			Railway and other debentures and debenture stocks		2,289,446 4 10
			Railway, Gas, Water and other stocks and shares		6,952,602 3 8
			Reversions and Life Interests		1,052,757 17 5
			Outstanding premiums		162,021 15 7
			Outstanding interest		217,901 16 5
			Cash—On current accounts and in hand		114,017 0 7
		£30,386,422 13 7			£30,386,422 13 7

THOS. C. DEWEY, General Manager.

FREDERICK SCHOOLING, Actuary.
D. W. STABLE, Secretary.

EDGAR HORNE, Chairman.
HENRY HARBEN,
THOMAS WHARRIE,
Directors.

We beg to report that, with the assistance of the Chartered Accountants as stated below, we have examined the foregoing accounts and in our opinion they are correct, and the foregoing is a full and fair Balance Sheet properly drawn up, and exhibits a true and correct view of the state of the Company's affairs as shown by the books of the Company.

In accordance with the provisions of "The Companies Act, 1900," we certify that all our requirements as Auditors have been complied with.

PHILIP SECRETAN, W. H. NICHOLLS,

We have examined the Cash transactions (receipts and payments), affecting the accounts of the Assets and Investments for the year ended December 31st, 1904, and we find the same in good order and properly vouched. We have also examined the Deeds and Securities, Certificates, &c., representing the Assets and Investments set out in the above account, and we certify that they were in possession and safe custody as on December 31st, 1904.

# REVENUE ACCOUNT OF THE PRUDENTIAL ASSURANCE COMPANY LIMITED (INDUSTRIAL BRANCH) FOR THE YEAR ENDING 31ST DECEMBER, 1904.

Amount of life assurance fund at the beginning of the year			LIFE ASSURANCE	E ACCOUNT.	
Office only)        £66,118 17 8         Superintendency charges        199,595 12 10         Medical Fees         51,738 3 10         Head Office expenses         440,109 3 5         Total 17 5            Dividends and bonus to shareholders             Amount transferred to reserve fund <th>beginning of the year  Amount transferred from Ordinary Branch under Regulations of the company  Premiums</th> <th>76,826 0 0</th> <th>21,045,158 6 2 5,979,335 14 2</th> <th>Claims under life policies          2,230,180       2         Surrenders          41,634       9         Commission :—       Salaries of 15,903 agents for the weekly collection of premium from 14,573,784 policies £1,096,635       6       7         Special New business charges        532,812       3       3         Expenses of management :—</th> <th>Ş</th>	beginning of the year  Amount transferred from Ordinary Branch under Regulations of the company  Premiums	76,826 0 0	21,045,158 6 2 5,979,335 14 2	Claims under life policies          2,230,180       2         Surrenders          41,634       9         Commission :—       Salaries of 15,903 agents for the weekly collection of premium from 14,573,784 policies £1,096,635       6       7         Special New business charges        532,812       3       3         Expenses of management :—	Ş
Amount transferred to reserve fund 150,000 0 0				Office only)         £66,118 17 8         Superintendency charges        199,595 12 10         Medical Fees         51,738 3 10         Head Office expenses         440,109 3 5         757,561 17	
				Amount transferred to reserve fund 150,000 0	

P00018632

#### LIFE ASSURANCE COMPANIES ACT, 1870.—FOURTH SCHEDULE.

## BALANCE SHEET OF THE PRUDENTIAL ASSURANCE COMPANY LIMITED (INDUSTRIAL BRANCH) ON THE 31ST DECEMBER, 1904.

	LIABILITI	ES.	÷	£	s. d.	ASSETS. $\pounds$ s.
Shareholders' capital	***	• • •	£1,000,000 0 0			Mortgages on property within the United Kingdom 1,993,344 16
Life assurance fund		•••	22,469,135 11 9			Loans on County Council, Municipal and other rates 9,464,905 11
Reserve fund	•••		1,500,000 0 0			Investments:—
				24,969,135	11 9	In British Government securities 1,932,155 0
Claims under life polici	es admitted	•••	***	3.946	18 1	City of London corporation bonds 95,751 5
onne and and pende				5,010	.0 1	Indian and Colonial government securities 198,271 19
						Colonial corporation stocks 216,237 19
						Foreign government securities 192,339 8
						Railway and other debentures and debenture stocks and gold and sterling bonds 2,266,734 3
						Railway preference and guaranteed stocks 719,241 1
	•					Freehold ground rents and Scotch feu duties 3,784,323 16
						House Property—
						Freehold £3,293,738 1 11
					į	Leasehold <u>194,244 5 2</u> 3,487,982 7
					i	Agents' balances 4,245 18
						Outstanding premiums 236,806 4
						Outstanding interest and rents 238,366 18
						Cash—In hands of superintendents 35,155 17
						Do. On current accounts and in hand 107,220 1
•				£24,973,082	9 10	$\cancel{£}24,973,082$ 9

THOS. C. DEWEY, General Manager.

FREDERICK SCHOOLING, Actuary.
D. W. STABLE, Secretary.

EDGAR HORNE, Chairman.

HENRY HARBEN,
THOMAS WHARRIE,

Directors.

We beg to report that, with the assistance of the Chartered Accountants as stated below, we have examined the foregoing accounts and in our opinion they are correct, and the foregoing is a full and fair Balance Sheet properly drawn up, and exhibits a true and correct view of the state of the Company's affairs as shown by the books of the Company.

In accordance with the provisions of "The Companies Act, 1900," we certify that all our requirements as Auditors have been complied with.

PHILIP SECRETAN, W. H. NICHOLLS, Auditors.

We have examined the Cash transactions (receipts and payments), affecting the accounts of the Assets and Investments for the year ended December 31st, 1904, and we find the same in good order and properly vouched. We have also examined the Deeds and Securities, Certificates, &c., representing the Assets and Investments set out in the above account, and we certify that they were in possession and safe custody as on December 31st, 1904.

0357-008

### PRUDENTIAL

Assurance Company Limited.

DIRECTORS' REPORT

AND

STATEMENT OF ACCOUNTS

At 31st December, 1904.