

# PRUDENTIAL ASSURANCE COMPANY LIMITED.

## SEVENTY-FOURTH ANNUAL REPORT,

FOR THE YEAR ENDING 31ST DECEMBER, 1922.

THE DIRECTORS have much pleasure in presenting their report and accounts for the year 1922.

ORDINARY BRANCH.—The number of policies issued during the year was 86,541, assuring the sum of £14,862,074, and producing a new annual premium income of £1,080,890. The premiums received were £9,615,590, being an increase of £248,527 over those for the year 1921.

The claims of the year amounted to £6,837,122. The number of deaths was 11,443. The number of endowment assurances matured was 44,391, the annual premium income of which was £349,515.

The number of policies, including annuities, in force at the end of the year was 1,134,379.

INDUSTRIAL BRANCH.—The premiums received during the year were £14,386,588, being an increase of £388,196.

The claims of the year amounted to £4,075,208. The total number of claims and surrenders was 575,098 on 684,684 policies, of which 55,034 were matured endowment assurances.

The number of free policies granted during the year to those policyholders of five years' standing and upwards who desired to discontinue their payments, was 132,856, the number in force being 2,204,548. The number of free policies which became claims was 59,717.

The total number of policies in force in this Branch at the end of the year was 23,897,635: their average duration is fifteen years.

GENERAL BRANCH.—The premiums received, after deduction of reinsurances, in respect of Fire, Sickness and Accident, Employers' Liability and Miscellaneous insurances, were £482,751, being an increase for the year of £168,303 over 1921. The claims of the year amounted to £211,782.

During the year a subsidiary company called the Prudential Insurance Company of Great Britain (located in New York) was formed for the purpose of transacting Fire business in the United States of America. The Capital of the Company was fixed at \$1,000,000 and the shares were issued at a premium of 50% in order to form a reserve fund. The whole of the Share Capital with the exception of the Directors' qualifying Shares (amounting to \$6,500) is held by the Prudential Assurance Company. The premiums received during the year exceeded \$600,000. This amount is not included in the Company's accounts.

The premiums received under Sinking Fund policies were £22,090. The capital sum insured under these policies is £1,708,256.

The premiums received during the year on Marine Insurance business, after deduction of reinsurances, discounts, brokerages and returns, amounted to £310,863. The claims which arose, not only in respect of the risks written in 1922, but also those written in 1921, were £189,075.

The assets of the Company, in all Branches, as shown in the balance sheet, are £146,134,945 which represents an increase for the year of £11,307,706 over 1921.

The Staff Provident Fund, which was founded in 1898 for the benefit of the outdoor staff, amounts to £297,380.

PRUDENTIAL

Assurance Company Limited.

HOLBORN BARS, LONDON, E.C. 1.

The valuation has been made by Sir JOSEPH BURN, K.B.E., F.I.A., and the following tables have been used, namely, in the Ordinary Branch, the Institute of Actuaries (H<sup>4</sup>) Mortality for the life risks, and British Offices' Life Annuity Tables 1893 for the annuities, the rate being specially strengthened by assuming all annuitants to be select lives; in the Industrial Branch, Dr. Farr's English Life Table No. 3 has been employed for all assurances for the whole term of life, the English Life Table No. 6 being employed for all other classes.

The net premiums only have been valued in both Life Assurance Branches, the rate of interest in each case being 3 per cent.

In the General Branch all the premiums and interest received have been reserved, after deduction of claims and expenses. For the Sinking Fund policies the net premiums received have been accumulated with interest at 3½ per cent.

In the Marine Section it will be seen from the accounts that the position is eminently satisfactory, the fund being considerably in excess of one year's premium income. Nevertheless, owing to the comparatively recent date at which this business was undertaken the Directors have decided not to close the Marine Account for the year 1921, and this course has the entire approval of the Royal Exchange Assurance who manage this business on behalf of the Company.

In the ORDINARY BRANCH the surplus shown is £2,047,337, including the sum of £176,996 brought forward from last year. Out of this surplus the Directors have added £500,000 to the Investments Reserve Fund which stands as at 31st December, 1922, at £2,500,000, and £177,186 has been carried forward.

A bonus of £1 12s. per cent. on the original sums assured will be allocated to participating policies in the Ordinary Branch which were in force on the 31st December, 1922.

In the INDUSTRIAL BRANCH the surplus shown is £1,737,631, including the sum of £117,793 brought forward from last year. Out of this surplus the Directors have added £250,000 to the Investments Reserve Fund which stands as at 31st December, 1922, at £1,750,000; £250,000 has been carried to the Common Contingency Fund, which on 31st December, 1921, stood at £400,000. During the year, however, £350,000 was transferred to the General Branch, and consequently the Common Contingency Fund now amounts to £300,000. The amount carried forward is £123,069.

A bonus addition will be made to the sums assured under all policies entitled to participate under the Bonus Distribution Scheme, on which 10 years' premiums have been paid and which become claims by death or maturity of endowment between 2nd of March, 1923 and the 4th of March, 1926, both dates inclusive, as follows:—

Premiums paid for	Amount of Claim increased by
10 Years and less than 20 years ... ..	£5 Os. per cent.
20 " " " " 30 " ... ..	£7 10s. " "
30 " " " " 40 " ... ..	£10 Os. " "
40 " " " " 50 " ... ..	£15 Os. " "
50 " " upwards ... ..	£20 Os. " "

These bonuses are inclusive of and not in addition to the bonus of £2 10s. per cent. declared in March, 1922.

The Company's profit-sharing scheme provides that after payment of a fixed dividend to the holders of fully-paid shares any surplus profit shall be divided into six equal parts: one part being retained by such shareholders, one distributed among the outdoor staff of the Company and the remaining four parts being allotted by way of bonus to the policyholders of the Industrial Branch.

From the following Table it will be seen that the sum which has already been allotted under this scheme by way of bonus to the Industrial Branch policyholders and outdoor staff amounts to £3,700,000.

Year.	Outdoor Staff.	Policyholders.
From March, 1903 to March, 1921	£565,000	£2,260,000
March, 1922 ... ..	50,000	200,000
March, 1923 ... ..	125,000	500,000
	<u>£740,000</u>	<u>£2,960,000</u>

The Directors last year instituted the principle of placing the bonus of Industrial Branch policies on a more permanent basis, and declared the bonus for a period of 2 years. In pursuance of this principle it will be seen that the bonus this year is declared for a period of 3 years as regards policies issued prior to 1st January, 1923; this method of spreading the bonus over a period of years and extending the period will be continued for such of these policies as may be in force on 31st December in each year for which a bonus is declared.

As regards policies issued on or after 1st January, 1923, the Directors have decided that for the time being the following shall be substituted for the existing Bonus Distribution Scheme in the Industrial Branch. The allocation of profits will be made in the first instance by means of a simple reversionary addition to the sum assured, with the proviso that the bonus will not vest until the policy has been fifteen years in force. In addition it is the intention to supplement this reversionary bonus with an interim bonus in respect of policies which become claims by death or maturity upon which premiums have been paid for not less than 5 years and less than 15 years. The first declaration of bonus according to this method will be made out of the surplus available in March, 1924.

The declaration of bonus as a reversionary addition to the sum assured marks a further and important stage in the development of Industrial Assurance.

During recent years considerable changes have been effected in the organisation of the work of the Industrial Branch both at Chief Office and among the Agency and Superintendency Staff, with the result that the rate of expenditure has been greatly reduced. For the year 1921 the rate was 36.92 per cent. of the total premiums received, the lowest rate recorded up to that date. For 1922 the rate was still further reduced to 32.12 per cent. This is the lowest rate ever shown by a British Industrial Assurance Company doing a large business, and as further reductions are confidently anticipated, material improvements in Industrial Assurance are clearly foreshadowed.

The total surplus of the two branches is £3,784,968. Of this amount £500,000 has been added to the Investments Reserve Fund of the Ordinary Branch, £250,000 has been added to the Investments Reserve Fund of the Industrial Branch, and £250,000 to the Common Contingency Fund; £2,484,713 will be distributed among participating policyholders in the Ordinary Branch, policyholders in the Industrial Branch, the holders of fully-paid shares, and the superintendency and agency staff in accordance with the Articles of Association of the Company, leaving £300,255 to be carried forward, namely £177,186 in the Ordinary Branch and £123,069 in the Industrial Branch.

The four Prudential Approved Societies have during the year paid to their members benefits amounting approximately to £3,138,000, making a total of over £18,197,000 paid since National Insurance was introduced. The number of persons admitted to membership of the Societies during the year was 328,080, of whom 146,903 were men and 181,177 women.

The retiring Directors are Mr. EDGAR HORNE, Sir JOHN LUSCOMBE, and Mr. FREDERICK SCHOOLING, who offer themselves for re-election.

Mr. WILLIAM HENRY NICHOLLS and Mr. ISIDORE HENRI ALPHONSE MARCHAND, 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.

A. C. THOMPSON,  
Chairman.

HOLBORN BARS,  
15th February, 1923.

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**REVENUE ACCOUNT OF THE ORDINARY BRANCH**  
FOR THE YEAR ENDING 31ST DECEMBER, 1922, IN RESPECT OF LIFE ASSURANCE BUSINESS.

	£	s.	d.		£	s.	d.
Amount of life assurance fund at the beginning of the year	62,649,880	5	2	Claims under policies paid and outstanding:—			
Premiums	9,615,589	17	6	By death	£1,776,222	19	3
Consideration for annuities granted	195,983	19	6	By maturity	6,060,899	3	4
Interest and dividends	£3,288,043	1	7	Surrenders			6,837,122
Less income tax thereon	497,608	6	10	Bonuses surrendered for cash			486,389
				Annuitants			63,548
				Commission			134,473
				Expenses of management			760,665
				Corporation profits tax (on account)			547,030
				Transfer to profit and loss account			4,000
				Transfer to investments reserve fund			135,488
				Amount of life assurance fund at the end of the year			600,000
							65,683,121
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NOTES.—During the year 86,641 policies were issued assuring £14,862,074. The amount received by way of single premiums was £11,925 3s. 6d.  
The yearly renewal premium income was £1,080,890 9s. 2d. No business is transacted out of the United Kingdom.

**BALANCE SHEET OF THE ORDINARY BRANCH ON THE 31ST DECEMBER, 1922.**

LIABILITIES.		£	s.	d.	ASSETS.		£	s.	d.
Life assurance fund		65,683,121	7	11	Mortgages on property within the United Kingdom		5,352,622	1	9
Investments reserve fund, 1st January, 1922	£2,000,000	0	0		Mortgages on property out of the United Kingdom		Nil		
Add transfer from Ordinary Branch					Loans on parochial and other public rates		3,420,711	13	1
Revenue account	500,000	0	0		Loans on life interests		309,078	16	0
					Loans on reversions		31,763	19	2
Claims admitted or intimated but not paid		2,500,000	0	0	Loans on stocks and shares		40,300	0	0
Annuities due and unpaid		371,100	4	3	Loans on Company's policies within their surrender values		2,452,297	9	2
Balance standing to credit of profit and loss account		3,681	7	6	Loans on personal security		Nil		
					Loans to Educational institutions secured on income		27,649	9	6
					Investments:—				
					British Government securities		30,270,850	13	9
					Bank of England stock		153,814	0	0
					Municipal and county securities, United Kingdom		1,154,997	3	6
					Indian and Colonial Government securities		5,228,806	19	4
					Colonial provincial securities		367,056	1	1
					Colonial municipal securities		2,073,346	7	8
					Foreign Government securities		2,563,036	11	7
					Foreign provincial securities		219,322	10	0
					Foreign municipal securities		982,608	14	2
					Railway and other debentures and debenture stocks and gold and sterling bonds—Home and Foreign		6,909,084	6	11
					Railway and other preference and guaranteed stocks and shares		1,981,395	17	8
					Railway and other ordinary stocks and shares		2,607,902	13	0
					Rent charges		280,650	11	3
					Life interests		34,626	14	6
					Reversions		772,005	11	9
					Outstanding premiums		406,682	4	9
					Outstanding interest		14,696	9	11
					Interest and dividends accrued but not payable		217,693	16	7
					Bills receivable		43,538	1	5
					Cash in hand and on current accounts		786,902	2	2
							£68,693,340	19	7

The values of the Stock Exchange securities are determined, under the Articles of Association of the Company, by the Directors. These values have been compared with the middle market prices as at 31st December, 1922, and we certify that in our belief the Assets set forth in the Balance Sheet are, in the aggregate, fully of the value stated therein.

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

J. BURN, *General Manager and Actuary.*

A. C. THOMPSON, *Chairman.*

G. E. MAY, *Secretary.*

EDGAR HORNE, } *Directors.*  
F. SCHOOLING, }

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.

W. H. NICHOLLS, } *Auditors.*  
J. H. A. MARCHAND, }

We have examined the Cash transactions (receipts and payments) affecting the accounts of the Assets and Investments for the year ended December 31st, 1922, 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, 1922.

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

15th February, 1923.

**REVENUE ACCOUNT OF THE INDUSTRIAL BRANCH**  
FOR THE YEAR ENDING 31ST DECEMBER, 1922, IN RESPECT OF LIFE ASSURANCE BUSINESS.

	£	s.	d.		£	s.	d.
Amount of life assurance fund at the beginning of the year	65,587,298	8	1	Claims under policies paid and outstanding:—			
Premiums ... ..	14,386,587	16	8	By death ... ..	£3,501,054	12	11
Interest, dividends and rents ... ..	£3,353,185	11	11	By maturity ... ..	574,163	12	10
Less income tax thereon ... ..	337,325	13	6				4,075,208 5 9
	3,015,859	18	5	Surrenders ... ..			953,194 0 8
Amount received from General Branch for Approved Societies' expenses ... ..	687,284	7	4	Commission ... ..			3,366,196 8 4
				Expenses of management ... ..			1,895,456 0 7
				Corporation profits tax (on account) ... ..			16,975 0 0
				Transfer to Investments reserve fund ... ..			250,000 0 0
				Transfer to Common contingency fund ... ..			250,000 0 0
				Reserve for bonus to members of Company's outdoor staff ... ..			125,000 0 0
				Transfer to profit and loss account ... ..			489,562 0 0
				Amount of life assurance fund at the end of the year ...			72,226,418 15 2
	£83,647,010	10	6				£83,647,010 10 6

NOTES.—During the year 1,527,877 policies were issued, assuring a maximum sum of £51,400,774.  
No business is transacted out of the United Kingdom.

**BALANCE SHEET OF THE INDUSTRIAL BRANCH ON THE 31ST DECEMBER, 1922.**

LIABILITIES.	£	s.	d.	ASSETS.	£	s.	d.
Shareholders' capital ... ..	1,000,000	0	0	Mortgages on property within the United Kingdom ...	1,382,414	4	9
This capital is liable in respect of contracts in all branches of the Company's business, but is included in the Industrial Branch accounts pursuant to Sec. 3 of the Prudential Assurance Company Act, 1875.				Mortgages on property out of the United Kingdom ...	Nil		
Life assurance fund ... ..	72,226,418	15	2	Loans on parochial and other public rates ... ..	7,658,104	9	8
Investments reserve fund, 1st January, 1922 ... ..	£1,500,000	0	0	Loans on life interests ... ..	381,633	12	0
Add transfer from Industrial Branch Revenue account ... ..	250,000	0	0	Loans on personal security ... ..	Nil		
Common contingency fund, 1st January, 1922 ... ..	400,000	0	0	Loans to Educational institutions secured on income ...	225	1	5
Less transfer to General Branch ... ..	350,000	0	0	Investments:—			
	50,000	0	0	Deposit with the High Court (£17,122 14s. 0d. 5% War Loan, 1929-1947) ... ..	16,080	19	1
Add transfer from Industrial Branch Revenue account ... ..	250,000	0	0	British Government securities ... ..	39,805,741	13	1
	300,000	0	0	Municipal and county securities, United Kingdom ...	1,655,974	0	0
In accordance with clause 122 (b) of the Articles of Association this fund may be applied to any one or more branches, as determined by the Directors.				Indian and Colonial Government securities ... ..	3,233,571	9	1
Claims admitted or intimated but not paid ... ..	4,478	0	0	Colonial provincial securities ... ..	118,180	0	0
Deposit as security for return of securities borrowed from the Company ... ..	12,400	0	0	Indian and Colonial municipal securities ... ..	614,877	0	0
Outstanding commission and expenses ... ..	92,010	7	2	Foreign Government securities ... ..	1,441,246	18	0
Reserve for bonus to members of Company's outdoor staff	125,000	0	0	Foreign provincial securities ... ..	149,000	0	0
Balance standing to credit of profit and loss account ...	439,562	0	0	Foreign municipal securities ... ..	490,603	18	7
				Railway and other debentures and debenture stocks and gold and sterling bonds—Home and Foreign ...	5,871,433	11	6
				Railway and other preference and guaranteed stocks and shares ... ..	1,303,713	2	6
				Railway and other ordinary stocks and shares ... ..	215,706	9	1
				Freehold ground rents and Scotch feu duties ... ..	4,637,694	15	8
				Leasehold ground rents ... ..	4,387	18	3
				House property ... ..	5,107,059	19	0
				Agents' Balances ... ..	14,131	10	5
				Outstanding premiums ... ..	455,129	11	2
				Outstanding interest and rents ... ..	68,165	1	2
				Interest, dividends and rents accrued but not payable ...	169,718	10	10
				Bills receivable ... ..	21,666	9	9
				Cash:—			
				On deposit ... ..	20,000	0	0
				In hand and on current accounts ... ..	1,063,399	17	4
	£75,999,869	2	4		£75,999,869	2	4

The values of the Stock Exchange Securities are determined, under the Articles of Association of the Company, by the Directors. These values have been compared with the middle market prices as at 31st December, 1922, and we certify that in our belief the Assets set forth in the Balance Sheet are, in the aggregate, fully of the value stated therein.  
No part of any fund has been applied directly or indirectly to any purpose other than the business of the class to which it is applicable.

J. BURN, *General Manager and Actuary.*

A. C. THOMPSON, *Chairman.*

G. E. MAY, *Secretary.*

EDGAR HORNE, }  
F. SCHOOLING, } *Directors.*

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.

W. H. NICHOLLS, }  
I. H. A. MARCHAND, } *Auditors.*

We have examined the Cash transactions (receipts and payments) affecting the accounts of the Assets and Investments for the year ended December 31st, 1922, 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, 1922.

13th February, 1923.

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

**REVENUE ACCOUNTS OF THE GENERAL BRANCH  
FOR THE YEAR ENDING 31ST DECEMBER, 1922.**

**FIRE, SICKNESS AND ACCIDENT, EMPLOYERS' LIABILITY AND MISCELLANEOUS INSURANCE BUSINESS.**

	£	s.	d.		£	s.	d.
Amount of insurance funds at the beginning of the year	193,202	12	8	Claims under policies paid, and outstanding fire and miscellaneous claims	211,781	18	9
Premiums	431,368	1	7	Commission	81,639	14	8
Consideration for unexpired liability under Reinsurance Contracts	61,383	6	3	Expenses of management	118,819	8	6
Interest	£17,021	11	10	Amount transferred to Industrial Branch for Approved Societies' expenses	657,264	7	4
Less income tax thereon	4,449	7	11	Contributions to fire brigades	475	3	6
				Amount of insurance funds at the end of the year—			
Amount received from Approved Societies for expenses	657,264	7	4	Reserve for unexpired risks	£196,933	10	11
Transfer from profit and loss account	2,010	10	10	Total estimated liability in respect of outstanding sickness and accident and employers' liability insurance claims	18,401	12	6
				Additional reserve for fire risks	25,985	6	6
				Additional reserve for sickness and accident risks	37,500	0	0
					277,820	8	11
	£1,347,801	1	7		£1,347,801	1	7

**SINKING FUND INSURANCE BUSINESS.**

	£	s.	d.		£	s.	d.
Amount of sinking fund insurance fund at the beginning of the year	56,419	13	8	Claims under policies paid and outstanding	Nil.		
Premiums	22,089	9	9	Surrenders	999	15	0
Interest and dividends	£45,211	3	1	Commission	441	17	5
Less income tax thereon	1,412	4	7	Expenses of management	378	17	4
				Transfer to profit and loss account	2,010	10	10
	3,798	19	6	Amount of sinking fund insurance fund at the end of the year	78,479	1	4
	£82,308	1	11		£82,308	1	11

**MARINE INSURANCE BUSINESS.**

	£	s.	d.		£	s.	d.
Amount of marine insurance fund at the beginning of the year	286,062	14	6	Claims under policies paid and outstanding	189,075	6	0
Premiums, after deduction of reinsurances, discounts, brokerages and returns	310,862	16	0	Expenses of management	13,396	0	4
Interest and dividends	£14,886	12	6	Amount of marine insurance fund at the end of the year	406,062	16	6
Less income tax thereon	3,279	1	3				
	11,607	11	3		£608,533	1	9
	£608,533	1	9		£608,533	1	9

**BALANCE SHEET OF THE GENERAL BRANCH ON THE 31ST DECEMBER, 1922.**

LIABILITIES.		£	s.	d.	ASSETS.		£	s.	d.
Authorised Capital, 1,000,000 "B" shares of £1 each, £1,000,000.					Deposit with the High Court (£20,000 5% National War Bonds 1928)		19,981	5	0
Subscribed Capital, 1,000,000 shares of £1 each, 4s. paid	200,000	0	0	British Government securities		536,606	8	8	
Fire, sickness and accident, employers' liability and miscellaneous insurance funds	277,820	8	11	Municipal and county securities, United Kingdom		26,415	0	0	
Sinking fund insurance fund	78,479	1	4	Indian and Colonial Government securities		161,099	11	11	
Marine insurance fund	406,062	16	6	Foreign Government securities		5,380	0	0	
Contingency Fund	350,000	0	0	Foreign provincial securities		37,430	0	0	
Sundry creditors	1,260	0	0	Railway and other debentures and debenture stocks and gold and sterling bonds—Home and Foreign		3,017	0	0	
Reserve for income tax	3,899	18	4	Railway and other preference and guaranteed stocks and shares		50,572	0	0	
Claims admitted or intimated but not paid	90,942	1	0	Shares in subsidiary Insurance Company		342,496	15	6	
Amount due for reinsurances	33,280	14	9	Outstanding premiums		192,833	16	10	
				Sundry debtors		26,514	2	11	
				Marine stamps		1,349	14	8	
				Cash on deposit		22,500	0	0	
				Cash in hand and on current accounts		26,539	6	3	
	£1,441,734	19	9			£1,441,734	19	9	

The values of the Stock Exchange securities are determined, under the Articles of Association of the Company, by the Directors. These values have been compared with the middle market prices as at 31st December, 1922, and we certify that in our belief the Assets set forth in the Balance Sheet are, in the aggregate, fully of the value stated therein.

Part of the Assets has been deposited under local laws in places out of the United Kingdom on account of the Fire and Marine Insurance business.

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

J. BURN, *General Manager and Actuary.*  
G. E. MAY, *Secretary.*

A. C. THOMPSON, *Chairman.*  
EDGAR HORNE, } *Directors.*  
F. SCHOOLING, }

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.

W. H. NICHOLLS, } *Auditors.*  
I. H. A. MARCHAND, }

We have examined the Cash transactions (receipts and payments) affecting the accounts of the Assets and Investments for the year ended December 31st, 1922, 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, 1922.

13th February, 1923.

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



PRUDENTIAL

Assurance Company Limited.

HOLBORN BARS, LONDON, E.C. 1.

DIRECTORS' REPORT

AND

STATEMENT OF ACCOUNTS

At 31st December, 1922.

(6313) 15-2/23.

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