

The
Prudential Assurance Company
LIMITED

SEVENTY-EIGHTH
ANNUAL REPORT

For the Year ending 31st December, 1926



CHIEF OFFICE: HOLBORN BARS LONDON, ENGLAND.

Directors :

ALFRED CORDEROY THOMPSON, *Chairman*

EDGAR HORNE, *Deputy-Chairman*

GUY PHILIP HARBEN, O.B.E.

JAMES MOON

JOHN ROY LANCASTER

LT.-COL. PERCY LESTER REID, O.B.E.

SIR JOHN HENRY LUSCOMBE

FREDERICK SCHOOLING, F.I.A.

SIR JOHN PAGET MELLOR, Bt., K.C.B.

DANIEL WINTRINGHAM STABLE,
LL.B., J.P.

Secretary :

SIR GEORGE MAY, K.B.E., F.I.A.

Assistant Secretaries :

P. C. CRUMP, O.B.E., F.I.A.

E. H. LEVER, F.I.A.

Actuary :

F. P. SYMMONS, F.I.A.

Assistant Actuaries :

C. S. KELHAM, F.I.A.

R. LEVEY, F.I.A.

Assistant Managers :

E. J. W. BORRAJO, M.B.E., A.I.A.

F. D. McMILLAN

H. H. REDMAN

A. H. SABIN

Deputy General Managers :

E. DEWEY

E. F. SPURGEON, F.I.A.

General Manager :

SIR JOSEPH BURN, K.B.E., F.I.A.



Chief Office : HOLBORN BARS, LONDON, ENGLAND

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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.
 103, Ladbroke Grove, W.11.
 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	Kettering	Rugby
Aberdeen	Consett	Kilmarnock	Ryde
Abertillery	Cork	Kirkcaldy	St. Helens
Accrington	Coventry	Lancaster	Seaham Harbour
Altrincham	Crewe	Leamington	Selby
Ammanford	Croydon	Leeds	Scarborough
Arbroath	Darlington	Leicester	Sheffield
Ashington	Derby	Leigh, Lancs.	Shipley
Ashton-under-Lyne	Dewsbury	Lewes	Shrewsbury
Ayr	Doncaster	Lichfield	Sittingbourne
Bacup	Douglas (I. of M.)	Lincoln	Skipton
Banbury	Dover	Liverpool	Southampton
Barnsley	Dublin	Llanelli	Southend-on-Sea
Barnstaple	Dumbarton	Long Eaton	Southport
Barrow	Dumfries	Loughborough	South Shields
Bath	Dundee	Louth	Stafford
Bathgate	Dunfermline	Lowestoft	Stalybridge
Batley	Durham	Luton	Stirling
Bedford	Eastbourne	Macclesfield	Stockport
Belfast	Edinburgh	Maidstone	Stockton-on-Tees
Birkenhead	Ely	Manchester	Stoke-on-Trent
Birmingham	Enfield	Mansfield	Stroud
Bishop Auckland	Exeter	Margate	Sunderland
Blackburn	Falkirk	Melton Mowbray	Sutton
Blackpool	Faversham	Merthyr Tydfil	Swansea
Blaydon	Folkestone	Middlesbrough	Swindon
Blyth	Frome	Motherwell	Tamworth
Bolton	Garston	Neath	Taunton
Bournemouth	Gateshead	Nelson	Tonbridge
Bradford	Glasgow	Newbury	Torquay
Bridgend	Gloucester	Newcastle-on-Tyne	Truro
Brighouse	Gorton	Newport, Mon.	Tunbridge Wells
Brighton	Gosport	Newton Abbot	Wakefield
Bristol	Gravesend	Northampton	Wallasey
Bromley, Kent	Grays	North Shields	Walsall
Burnley	Greenock	Norwich	Warrington
Bury	Grimsby	Nottingham	Waterford
Bury St. Edmunds	Guildford	Oldham	Watford
Caerphilly	Halifax	Oswestry	Wednesbury
Camborne	Hamilton	Oxford	West Bromwich
Cambridge	Hanley	Paisley	West Hartlepool
Canterbury	Harrogate	Pentre, Glam.	Weston-super-Mare
Cardiff	Hastings	Perth	Weymouth
Carlisle	Haverfordwest	Peterborough	Wigan
Carnarvon	Hawick	Plymouth	Winchester
Castleford	Hereford	Pontefract	Wolverhampton
Chatham	Hertford	Pontypridd	Wolverton
Chelmsford	High Wycombe	Portsmouth	Worcester
Cheltenham	Huddersfield	Preston	Workington
Chester	Hull	Pudsey	Worksop
Chesterfield	Inverness	Reading	Wrexham
Clifton	Ipswich	Red Hill	Yarmouth
Coatbridge	Keighley	Rochdale	York
Colchester	Kendal	Rotherham	

Representatives for the transaction of certain classes of Insurance have also been appointed in:

Alexandria	Brisbane	Havana	Montreal	Tientsin
Amsterdam	Buenos Aires	Helsingfors	Oslo	Toronto
Antwerp	Calcutta	Hobart	Paris	Vancouver
Athens	Christchurch	Kobe	Perth (W.A.)	Wellington
Auckland	Copenhagen	Lisbon	Shanghai	Winnipeg
Batavia	Halifax (N.S.)	Manila	Singapore	
Bombay	Hamburg	Melbourne	Sydney	

THE PRUDENTIAL ASSURANCE COMPANY LIMITED

SEVENTY-EIGHTH ANNUAL REPORT

For the Year ending 31st December, 1926

THE DIRECTORS have much pleasure in presenting their Report and Accounts for the year 1926.

The Total Assets of the Company now amount to £198,801,641, as compared with £185,140,143 a year ago, i.e., an increase of £13,661,498.

The Total Income during 1926 was £38,621,753, as compared with £36,877,312 in 1925, excluding in both cases the transfer from the Approved Societies for expenses of management. The increase for the year is thus £1,744,441.

The Total Surplus arising from the Life business, including the sum of £443,816 brought forward, is £7,810,465, which has been allocated as follows:—

	£
To the Investments Reserve Funds	1,000,000
To the Common Contingency Fund	250,000
Cost of bonuses to the Ordinary and Industrial Branch participating policyholders ..	4,514,936
Dividend and bonus to the holders of "A" Shares	875,000
Bonus to Members of Outdoor Staff	468,750
To the Special Contingency Fund	250,000
To be carried forward	451,779

Ordinary Branch.—The number of policies issued during the year was 72,857, assuring the sum of £14,924,208, and producing a new annual premium income of £966,158. The premiums received were £11,103,514, being an increase of £426,781 over those for the year 1925.

The claims for the year amounted to £6,966,471. The number of deaths was 10,997 and of matured endowment assurances 43,958, the combined annual premium income being £396,651.

The number of life policies in force at the end of the year was 1,095,735, assuring with bonus £173,279,999 and producing a premium income of £10,392,577 per annum. The immediate annuities payable were 3,839 in number, and amounted to £151,783 per annum. In addition there were 1,283 deferred and contingent annuities, securing £25,161 per annum by an annual premium income of £12,013.

Industrial Branch.—The premiums received during the year were £16,083,240, being an increase of £199,369 over those for the year 1925.

The claims for the year amounted to £6,684,561. The total number of claims and surrenders was 709,787 on 821,567 policies, of which 188,204 were matured endowment assurances.

The number of free policies granted during the year was 171,713, the number in force being 2,468,155. The number of free policies which became claims was 79,025.

The total number of policies in force in this Branch at the end of the year was 24,821,864, assuring a maximum sum of £427,752,796, exclusive of bonus and producing an annual premium income of £17,182,043. The average duration of the whole life premium paying policies in force exceeds 17 years.

General Branch.—The premiums received, after deduction of the re-insurances, amount to £1,551,072, being an increase of £183,811 over those for the year 1925.

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	529,595	248,102	217,946	429,220
Sickness and Accident	120,898	38,357	51,986	137,534
Employers' Liability	71,787	24,252	27,064	93,357
Miscellaneous	240,852	95,199	107,519	191,293
Marine	517,794	553,146	20,200*	595,958
	£1,480,926	£959,056	£424,715	£1,447,362

* 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 £70,146. The capital sum insured under these policies is £5,358,811.

The Staff Provident Fund, which was founded in 1898 for the benefit of the outdoor staff, amounts to £384,517.

The Valuation has been made by Mr. F. P. SYMMONS, 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^M 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 £151,163, of which £100,000 has been applied in strengthening the Marine Fund, and the balance of £51,163 in increasing the additional reserves of other sections of the General Branch.

In the Ordinary Branch the surplus shown is £2,930,011, including the sum of £187,948 brought forward from last year. This surplus the Directors have applied as follows:—

To the Investments Reserve Fund (which stands as at 31st December, 1926, at £4,250,000)	£ 500,000
Cost of bonus to participating policyholders	2,014,936
Transferred to Profit and Loss Account for dividend and bonus to holders of "A" shares	222,552
To be carried forward	192,523

The above stated amount of £2,014,936 is sufficient to provide a bonus of £2 4s. per cent. on the original sums assured, and a bonus at that rate will be allocated to participating policies which were in force on the 31st December, 1926.

In the Industrial Branch the surplus shown is £4,880,454, including the sum of £255,868 brought forward from last year. This surplus the Directors have applied as follows:—

To the Investments Reserve Fund (which stands as at 31st December, 1926, at £3,500,000)	£ 500,000
To the Common Contingency Fund	250,000
Cost of bonus to participating policyholders	2,500,000
Transferred to Profit and Loss Account for dividend and bonus to holders of "A" shares	652,448
Bonus to Members of Outdoor Staff	468,750
To the Special Contingency Fund	250,000
To be carried forward	259,256

A reversionary bonus of £1 10s. per cent. on the sum assured at death or maturity, vesting after 5 years' premiums have been paid, has been added to all with-profit policies issued on or after 1st January, 1923, and on which premiums were being paid on 31st December last. It has been decided that the reversionary bonuses declared for the years 1923, 1924 and 1925 shall also vest after 5 years' premiums instead of after 10 years' premiums have been paid.

All policies issued before 1st January, 1923, which are in force (except those in the Irish Free State and which are entitled to participate under the bonus distribution scheme, on which 5 years' premiums have been paid and which become claims by death or maturity of endowment between 4th March, 1927 and 4th March, 1937, both dates inclusive, will receive a bonus addition as follows:—

Premiums paid for.	Amount of claim increased by
5 years and less than 10 years	6 0 per cent.
10 " " " " 15 "	7 0 " " "
15 " " " " 20 "	8 0 " " "
20 " " " " 25 "	10 0 " " "
25 " " " " 30 "	12 10 " " "
30 " " " " 35 "	17 10 " " "
35 " " " " 40 "	22 10 " " "
40 " " " " 45 "	27 10 " " "
45 " " " " 50 "	32 10 " " "
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, 1926, and are guaranteed for a period of ten years to 4th March, 1937.

In the Irish Free State the surplus is proportionately much 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 not apply to policies in force in the Irish Free State, but such policies will continue to receive bonus at the rates and for the period previously guaranteed.

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 £12,514,042, 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
	<u>£2,330,354</u>	<u>£10,183,688</u>	<u>£12,514,042</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.				
1920	40.50 per cent. of Total Premiums received.
1921	36.92 " " " "
1922	32.12 " " " "
1923	29.74 " " " "
1924	27.86 " " " "
1925	26.59 " " " "
1926	25.90 " " " "

In consequence of the extensive unemployment arising out of the Coal Dispute many holders of our Industrial Branch Policies were unable to pay their premiums. The Directors decided early in the Dispute to refrain from lapsing such policies.

With the prolongation of the Dispute it became evident that the accumulation of arrears was such that it would be impossible in many cases for Policyholders to retain their assurances when employment was resumed. A scheme was therefore adopted in October last under which upon application being made arrears of premium could be liquidated under with-profit policies by a suitable deduction from the Bonus payable when a claim arises. In the cases of claims under three special non-profit tables the deduction is made from the sum assured.

This concession has been the means of relieving our Policyholders from the immediate hardships of the Dispute as regards their assurances, whilst at the same time preserving intact the capital sum assured under with-profit policies; the Directors are confident that this concession has emphasised in a striking manner the value of the Industrial Branch Bonus and the holders of 1,160,469 of our policies have already taken advantage of the scheme.

The success of the scheme has been such that the Directors have extended its operations until March 14th next in all cases and beyond that date in those districts in which it appears that such a course is desirable.

The four Prudential Approved Societies have paid during the year to or on behalf of their members benefits amounting approximately to £4,582,500, making a total of over £33,351,500 since National Health Insurance was introduced. Included in the amount paid during the year is a sum of £462,154 expended on Additional (non-cash) Benefits granted as a result of the valuations of the Societies, £225,219 being in respect of the first valuation and £236,935 in respect of the second valuation. The sum expended on Additional (non-cash) Benefits was made up as follows:—Dental Treatment £300,051, Hospital and Convalescent Home Treatment £131,402, Medical and Surgical Appliances £4,936, Ophthalmic Treatment £22,990, and Nursing £2,775. The number of persons admitted to membership of the Societies during the year was 282,393, of whom 127,518 were men and 154,875 women.

The Directors deplore the loss of their President, Sir THOMAS CHARLES DEWEY, Bt., who died on the 13th July, 1926, in his 86th year. Sir Thomas entered the service of the Company in October, 1857, and held the following appointments:—

September, 1858—Assistant to the Accountant.
 January, 1872—Industrial Branch Actuary.
 March, 1873—Industrial Branch Manager.
 February, 1898—Joint General Manager.
 May, 1904—General Manager.
 August, 1907—Director and Deputy Chairman.
 September, 1910—Chairman.
 September, 1920—President.

He became a Fellow of the Institute of Actuaries in 1882.

When he joined the staff of The Prudential Assurance Company Limited the total premium income was under £7,000. At his death it exceeded £28,000,000. This development was largely due to his business ability and to his capacity for winning and retaining the respect and affection of the Staff by whom he will always be held in grateful memory.

The name and character of Sir Thomas Dewey will always be associated with the business of Industrial Assurance of which he was a pioneer.

The retiring Directors are Mr. FREDERICK SCHOOLING, F.I.A., Mr. JOHN ROY LANCASTER and Sir JOHN PAGET MELLOR, Bt., K.C.B., who offer themselves for re-election.

Mr. WILLIAM HENRY NICHOLLS and Mr. FRANK HAYCRAFT 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,
 17th February, 1927.

REVENUE ACCOUNT OF THE ORDINARY BRANCH

For the Year ending 31st December, 1926, in respect of Life Assurance Business

	£	s.	d.
Amount of Life assurance fund at the beginning of the year ..	76,667,881	16	2
Premiums	11,103,513	13	11
Consideration for annuities granted ..	68,705	4	5
Interest and dividends ..	£4,256,135	10	7
Less Income Tax ..	617,509	15	5
	3,638,625	15	2
Corporation Profits Tax refunded ..	3,620	19	6
	£91,482,347	9	2

Claims under policies paid and outstanding :—	
By death ..	£1,996,818 14 5
By maturity ..	4,969,651 18 8
	6,966,470
Surrenders ..	108,772
Bonuses surrendered for cash ..	108,772
Annuities ..	108,772
Commission ..	637
Expenses of management ..	637
Transfer to Investments reserve fund ..	637
Transfer to Profit and Loss account ..	637
Amount of Life assurance fund at the end of the year ..	£91,482,347 9 2

NOTE.—During the year 72,857 policies were issued for a sum assured of £14,927,207. The yearly renewal premium income was £661,749 14s. 8d.

REVENUE ACCOUNT OF THE INDUSTRIAL BRANCH

For the Year ending 31st December, 1926, in respect of Industrial Assurance Business

	£	s.	d.
Amount of Industrial assurance fund at the beginning of the year ..	94,991,727	10	0
Premiums	16,083,239	19	2
Interest, dividends and rents ..	£5,459,739	3	2
Less Income Tax ..	264,881	12	1
	5,194,857	11	1
Refund of excess allocations to Special Contingency Fund for 1924 and 1925	54,000	10	2
	£116,323,825	10	5

Claims under policies paid and outstanding :—	
By death ..	£4,049,060 0 4
By maturity ..	2,635,500 16 11
	6,684,560
Surrenders ..	2,526,338
Commission ..	2,526,338
Expenses of management ..	£2,339,460 3 7
Less amount received from General Branch for Approved Societies' expenses ..	700,481 7 4
	11,838,185
Corporation Profits Tax ..	500,000
Transfer to Investments reserve fund ..	468,700
Reserve for bonus to members of Company's outdoor staff ..	637,100
Transfer to Profit and Loss Account ..	250,000
Transfer to Common Contingency Fund ..	250,000
Transfer to Special Contingency Fund ..	250,000
Amount of Industrial assurance fund at the end of the year ..	£116,323,825 10 5

NOTE.—During the year 1,775,763 policies were issued, for a maximum sum assured of £45,349,600.

BALANCE SHEET

LIABILITIES.	Ordinary Branch.		Industrial Branch.		General Branch.		Common Contingency Fund.		Special Contingency Fund.		£
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	
Shareholders' capital.											
Nominal capital :—											
1,000,000 "A" shares of £1 each											1,000,000
1,000,000 "B" shares of £1 each											1,000,000
											2,000,000
Issued capital :—											
1,000,000 "A" shares of £1 each, fully paid ..			1,000,000	0 0							1,000,000
1,000,000 "B" shares of £1 each, 4s. paid ..					200,000	0 0					200,000
Life assurance fund Ordinary Branch ..	81,454	429 7 4									81,454 429 7 4
Industrial assurance fund			102,128	555 8 0							102,128 555 8 0
Fire insurance fund					429,220	1 0					429,220 1 0
Sickness and accident insurance fund ..					137,534	6 6					137,534 6 6
Employers' liability insurance fund (British)					92,750	1 11					92,750 1 11
Employers' liability insurance fund (Irish Free State)					608	0 7					608 0 7
Miscellaneous insurance fund					101,283	0 4					101,283 0 4
Sinking fund insurance fund					255,283	4 7					255,283 4 7
Marine insurance fund					595,957	17 0					595,957 17 0
General Branch insurance funds											
Investments re-serve funds at 1st January ..											
Ordinary Branch ..											
Industrial Branch ..											
Revenue Accounts ..	4,250,000	0 0	3,500,000	0 0							7,750,000 0 0
Common Contingency fund at 1st January ..											1,250,000
Add transfer from Industrial Branch Revenue Account ..											250,000
Contingency fund							1,500,000	0 0			1,500,000 0 0
Special Contingency fund					350,000	0 0			461,368	8 7	461,368 8 7
Claims admitted or intimated but not paid :—											
Life assurance	417,214	11 6	6,012	0 8							417,214 11 6
Fire insurance					75,164	10 0					75,164 10 0
Miscellaneous insurance					28,581	0 0					28,581 0 0
General Branch											
Annuities due and unpaid	2,958	5 1									2,958 5 1
Outstanding commission and expenses ..	100,000	0 0	100,000	0 0	15,000	0 0					100,000 0 0
Due to other Companies on re-insurance account :—											
Fire insurance					94,457	7 1					94,457 7 1
Sickness and Accident insurance ..					252	5 8					252 5 8
Miscellaneous insurance					2,112	3 3					2,112 3 3
Marine insurance					46,959	17 1					46,959 17 1
General Branch											
Deposit as security for return of securities borrowed	9,900	0 0									9,900 0 0
Reserve for Income Tax					11,806	9 0			1,330	0 0	11,806 9 0
Sundry Creditors			606	16 10							606 16 10
Reserve for bonus to members of Company's outdoor staff ..											468,750 0 0
Less payments made in advance											1,520 16 0
Balance standing to credit of Profit and Loss account			407,229	4 0							407,229 4 0
NOTE :—			875,000	0 0							875,000 0 0
(a) Instalments not due until after 31st December, 1926, on investments held, £908,084.											
(b) Uncalled capital on investments held, £590,503.											
(c) Contingent liability on Bills discounted and Shares, £237,017.											
	£86,234,562	3 11	£108,077,403	15 6	£2,526,979	2 0	£1,500,000	0 0	£462,695	8 7	

"A" Shares—This capital is liable in respect of contracts in all branches of the Company's business, but is included in the Branch accounts pursuant to Sec. 3 of The Prudential Assurance Company Act, 1875.

Common Contingency Fund—In accordance with clause 130 (b) of the Articles of Association this fund may be applied to more branches, as determined by the Directors.

The values of the Stock Exchange securities are determined, under the Articles of Association of the Company, by the Directors. The values have been compared with the middle market prices as at 31st December, 1926, and we certify that in our belief the Assets in the Balance Sheet are, in the aggregate, fully of the value stated therein.

Part of the Assets (Investments and Cash) of the General Branch has been deposited under local laws in places out of the Kingdom on account of Fire and Marine insurance business.

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

J. BURN, *General Manager.*

F. P. SYMMONS, *Actuary.*

G. E. MAY, *Secretary.*

A. C. THOMPSON, *Chairman.*

EDGAR HORNE, *Director.*

P. L. REID, *Director.*

the 31st December, 1926.

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.
Assets on property within the United Kingdom	5,495,588	8 9	2,052,047	16 4	—	—	—	—	—	—	7,547,636	5 1
Assets on property out of the United Kingdom	1,819,147	12 8	2,610,718	11 7	—	—	—	—	—	—	4,220,866	4 3
Assets in parochial and other public rates	2,860,544	9 1	8,593,503	17 1	—	—	—	—	—	—	11,444,048	6 2
Life interests	291,325	0 0	381,833	12 0	—	—	—	—	—	—	672,958	12 0
Reversions	10,413	12 8	17,500	0 0	—	—	—	—	—	—	27,913	12 8
Stocks and Shares	180,960	0 0	795,000	0 0	—	—	—	—	—	—	945,960	0 0
Company's policies within their order values	4,457,619	0 0	—	—	—	—	—	—	—	—	4,457,619	0 0
Personal security	—	—	—	—	—	—	—	—	—	—	—	—
to Educational Institutions	—	—	—	—	—	—	—	—	—	—	—	—
Income	18,318	19 3	145	8 3	—	—	—	—	—	—	18,464	7 6
Assets :-												
with the High Court :-												
£2 14s. 5% War Loan 1929-1947	16,080	19 1	—	—	—	—	—	—	—	—	16,080	19 1
£100 5% War Loan 1929-1947	—	—	20,000	0 0	—	—	—	—	—	—	20,000	0 0
£100 5% National War Bonds 1928	—	—	—	—	19,981	5 0	—	—	—	—	19,981	5 0
with the Supreme Court of Judicature in Irish Free State :-												
£100 5% War Loan 1929-1947	20,000	0 0	—	—	—	—	—	—	—	—	20,000	0 0
£100 5% War Loan 1929-1947	—	—	—	—	20,000	0 0	—	—	—	—	20,000	0 0
Irish Government securities	28,704,999	12 2	35,479,553	15 5	511,468	2 10	1,500,000	0 0	211,361	9 0	66,407,382	19 11
Securities guaranteed by British Government under Trades Facilitation Acts	1,083,802	17 0	3,291,146	4 0	37,925	0 0	—	—	—	—	4,412,874	1 0
of England stock	153,814	0 0	—	—	—	—	—	—	—	—	153,814	0 0
Principal and county securities, United Kingdom	1,567,285	14 0	2,432,681	12 11	30,125	0 0	—	—	—	—	4,030,042	6 11
Irish and Colonial Government securities	4,938,124	10 10	5,030,993	3 6	98,790	16 0	—	—	—	—	10,067,908	10 4
Irish and Colonial provincial securities	347,210	11 3	97,759	9 6	—	—	—	—	—	—	444,970	0 9
Irish and Colonial municipal securities	2,043,711	6 3	913,085	11 9	—	—	—	—	—	—	2,956,796	18 0
Irish Government securities	4,775,977	9 10	5,562,928	10 11	384,130	10 5	—	—	—	—	10,723,036	11 2
Irish provincial securities	424,094	1 0	509,143	5 0	32,021	13 4	—	—	—	—	965,258	19 4
Irish municipal securities	1,012,212	7 10	774,605	6 2	46,787	10 0	—	—	—	—	1,833,605	4 0
Debentures and other debentures and preference stocks and gold and silver bonds—Home and Foreign	11,290,147	6 1	14,117,189	2 10	73,780	11 1	—	—	—	—	25,481,117	0 0
Debentures and other preference and guaranteed stocks and shares	5,529,614	2 7	7,086,671	2 8	80,025	17 3	—	—	—	—	12,696,311	2 6
Debentures and other ordinary stocks and shares	7,206,296	15 6	6,089,805	6 1	405,274	13 10	—	—	—	—	13,701,376	15 5
Debentures and other charges	210,097	5 3	—	—	—	—	—	—	—	—	210,097	5 3
Unpaid ground rents and Scotch feu duties	—	—	4,933,371	5 9	—	—	—	—	—	—	4,933,371	5 9
Unpaid ground rents	—	—	4,688	8 7	—	—	—	—	—	—	4,688	8 7
Unpaid interest	49,960	2 6	5,638,005	2 5	—	—	—	—	—	—	5,687,965	4 11
Unpaid interest	35,429	4 1	—	—	—	—	—	—	—	—	35,429	4 1
Unpaid interest	480,424	14 5	—	—	—	—	—	—	—	—	480,424	14 5
Unpaid interest	—	—	—	—	52,682	19 8	—	—	—	—	52,682	19 8
Unpaid interest	503,327	17 11	579,684	19 8	173,165	16 2	—	—	—	—	1,256,178	13 9
Unpaid interest, dividends and rents	188,578	10 6	87,064	0 9	125	0 0	—	—	—	—	275,767	11 3
Unpaid interest, dividends and rents accrued but not payable	531,912	14 10	363,377	4 3	1,140	0 0	—	—	—	—	896,429	19 1
Unpaid interest from other Companies on re-insurance Account	—	—	—	—	183,508	2 7	—	—	—	—	183,508	2 7
Unpaid interest by debtors	—	—	—	—	046	0 11	—	—	—	—	846	0 11
Unpaid interest receivable	57,116	0 0	42,640	19 7	—	—	—	—	—	—	99,756	19 7
Unpaid interest Stamps	—	—	—	—	558	8 9	—	—	—	—	558	8 9
Deposits :-												
in the United Kingdom	—	—	100,000	0 0	—	—	—	—	—	—	100,000	0 0
Abroad	—	—	42,054	4 3	86,182	5 10	—	—	—	—	128,236	10 1
Bank and on current account :-												
in the United Kingdom	167,838	5 6	397,687	13 8	265,071	1 0	—	—	251,333	19 1	1,081,930	19 3
Abroad	2,598	13 1	32,768	0 7	23,588	7 4	—	—	—	—	58,955	1 0
	£86,234,562	3 11	£108,077,403	15 6	£2,526,979	2 0	£1,500,000	0 0	£462,695	8 7	£198,801,640	10 0

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.

W. H. NICHOLLS } Auditors.
F. HAYCRAFT }

We have examined the Cash transactions (Receipts and Payments) affecting the accounts of the Assets and Investments for the year ended 31st December, 1926, 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 Assets and Investments set out in the above account as on the 31st December, 1926.

15th February, 1927.

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

Prudential
Assurance Company

LIMITED

HOLBORN BARS, LONDON,
ENGLAND



DIRECTORS' REPORT
AND
STATEMENT OF ACCOUNTS
at 31st December, 1926

To be presented to the Shareholders at
the Ordinary General Meeting to be held
at Holborn Bars, London, on Thursday,
the 3rd day of March, 1927, at 2 o'clock

H.W.V. (6253)—18-2-27

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