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PRUDENTIAL ASSURANCE COMPANY

LIMITED.

FORTY-SIXTH ANNUAL REPORT.

FOR THE YEAR ENDING 31ST DECEMBER, 1894.

THE DIRECTORS have much pleasure in presenting their Report and Accounts for the year 1894.

ORDINARY BRANCH.—The number of Policies issued during the year was 61,744, assuring the sum of £6,282,120, and producing a New Annual Premium Income of £339,957.

The Premiums received during the year were £2,077,956, being an increase of £223,586 over the year 1893.

The Claims of the year amounted to £518,131. The number of Deaths was 3,584 and 198 Endowment Assurances matured.

The number of Policies in force at the end of the year was 375,545.

INDUSTRIAL BRANCH.—The Premiums received during the year were £4,244,224, being an increase of £272,360.

The Claims of the year amounted to £1,548,377. The number of Deaths was 168,689 and 1,304 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 66,478, the number in force being 398,078. The number of Free Policies which became Claims during the year was 6,672.

The total number of Policies in force at the end of the year was 11,176,661: their average duration is nearly seven and a half years.

The assets of the Company, in both Branches, as shown in the Balance Sheet, are £21,213,805, being an increase of £2,674,940 over those of 1893. A supplement showing in detail the various investments is published with this report.

The retiring Directors are Messrs. H. A. HARBEN, WHARRIE and SIMMONDS, who offer themselves for re-election.

The Auditors, Messrs. DAY and SECRETAN, also offer themselves for re-election.

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.M.) 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 results of the valuation are as follows:—

In the ORDINARY BRANCH a surplus is shewn of £532,186. This includes the sum of £100,000 brought forward last year, which it is now intended to increase to £135,000.

In the INDUSTRIAL BRANCH the surplus shewn is £793,861, including the sum of £360,000 brought forward last year, which it is now intended to increase to £615,000.

The total surplus of the two Branches as shewn by the valuation is thus £1,326,047, and after carrying forward the sum of £750,000 there is left for distribution £576,047 among the participating Policyholders and Shareholders, in accordance with the Regulations of the Company under its special Act of Parliament.

The processes and results of the valuation have been carried out by the Actuary, Mr. F. SCHOOLING, and submitted to Mr. A. H. BAILEY, whose report is as follows:—

“The methods employed for the annual valuation of the liabilities of your Company, and the results of the last investigation, have been submitted to and examined by me.

“I think that the tables of mortality and the rate of interest assumed in the calculations are the most suitable for the purpose; and I approve of the principles adopted in the valuation.

“Now that these valuations are made annually instead of quinquennially as formerly, fluctuations in the results must be expected; and, as the mortality experience of last year was unusually favourable, I think that the resolution to leave a substantial portion of the surplus undivided is wise and judicious.”

The Balance Sheet has been submitted to Messrs. DELOITTE, DEVER, GRIFFITHS & Co., whose certificate is appended to the accounts.

EDGAR HORNE,
Chairman.

HOLBORN BARS,
21st February, 1895.

LIFE ASSURANCE COMPANIES ACT, 1870.—THIRD SCHEDULE.

REVENUE ACCOUNT OF THE PRUDENTIAL ASSURANCE COMPANY LIMITED (INDUSTRIAL BRANCH)
FOR THE YEAR ENDING 31ST DECEMBER, 1894.

LIFE ASSURANCE ACCOUNT.

		£ s. d.				£ s. d.	
Amount of Life Assurance fund at the beginning of the year	...	£9,898,397	16 5	Claims under life policies	...	1,548,377	8 2
Amount transferred from Ordinary Branch under Regulations of the Company	...	30,763	0 0	Surrenders	...	6,591	1 7
Premiums	...	9,929,160	16 5	Commission:—			
Interest and Rents	...	4,244,224	7 4	Salaries of 13,165 Agents for the weekly collection of premium from 10,778,583 policies	£774,626	14 5	
		351,117	0 8	New Business charges	456,246	19 9	
							1,230,873 14 2
				Expenses of management:—			
				Policy, Postage, and Receipt stamps (Head Office only)	£45,429	8 11	
				Superintendency charges, and Medical fees	190,484	4 1	
				Head Office Expenses (including Printing, Advertising and Valuation expenses)	250,044	10 9	
							485,958 3 9
				Dividends and Bonus to Shareholders	...	277,457	0 0
				Amount of Life Assurance fund at the end of the year, as per Fourth Schedule	...	10,975,244	16 9
							£14,524,502 4 5
							£14,524,502 4 5

BALANCE SHEET OF THE PRUDENTIAL ASSURANCE COMPANY LIMITED (INDUSTRIAL BRANCH)

ON THE 31ST DECEMBER, 1894.

LIABILITIES.			£	s.	d.	ASSETS.			£	s.	d.	
Shareholders' capital	...	...	£700,000	0	0	Mortgages on Property within the United Kingdom	...	...	45,648	17	10
Life Assurance fund	...	...	10,975,244	16	9	Loans on County Council, Municipal and other Rates	...	...	5,097,088	6	5
						Investments:—						
Claims under life policies admitted		10,551	4	7	In British Government securities	770,003	12	0
							Railway Debenture Stocks	1,721,970	19	7
							Freehold Ground Rents and Scotch Feu Duties	2,482,077	18	9
							House property—					
							Freehold	...	£1,016,971	6	10	
							Leasehold	...	30,203	4	6	
									1,047,174	11	4	
							Agents' balances	7,533	1	9
							Outstanding premiums	247,835	11	1
							Outstanding interest and rents	125,029	15	10
							Cash in hands of Superintendents	42,774	11	1
							Cash—					
							On current account	...	£98,408	15	8	
							In hand	...	250	0	0	
									98,658	15	8	
									£11,685,796	1	4	
									£11,685,796	1	4	

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

EDGAR HORNE, *Chairman.*
 HENRY HARBEN, }
 PERCY T. REID, } *Directors.*

We have examined, month by month, the various receipts and payments of the Company. 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.

ARCHIBALD DAY, }
 PHILIP SECRETAN, } *Auditors.*

We have examined the Cash transactions, Receipts and Payments, affecting the accounts of the Assets and Investments for the year ended December 31st, 1894, 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, 1894.
 20th February, 1895.

DELOITTE, DEVER, GRIFFITHS & Co.

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PRUDENTIAL
Assurance Company Limited.



DIRECTORS' REPORT
AND
STATEMENT OF ACCOUNTS

At 31st December, 1894.

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