

# PHOENIX ASSURANCE COMPANY

## LIMITED

### Report of the Directors for the year ending 31st December, 1916

The Directors have the pleasure of submitting their Report on the business of the Company for the year ending 31st December, 1916, the 135th year of the Company's existence, together with the Accounts duly audited.

#### FIRE DEPARTMENT.

The net premiums amounted to **\$7,659,365** and the net losses to **\$3,742,355** or 48.9 per cent. of the premiums. The expenses and commission together amounted to **\$2,988,310** being 39 per cent. of the premiums. The Fire funds have been increased by **\$250,000** to a total of **\$10,000,000** and a sum of **\$678,700** carried to Profit and Loss Account. Interest produced **\$265,670**, free of income tax, which has also been transferred to Profit and Loss.

#### LIFE DEPARTMENT.

During the year, 1,384 Life policies were issued, assuring **\$6,509,485**, with new premiums of **\$346,310**. Re-assurances were effected with other companies for **\$1,407,070** at premiums of **\$93,465**. The net new assurances were thus **\$5,102,415**, and the net new premium income **\$252,845**, including **\$28,595** of single premiums.

Eighty-one immediate annuities were granted for **\$25,320** per annum, the consideration money received being **\$251,955**. Thirty-two deferred annuities for **\$7,230** per annum at premiums of **\$3,355** were also granted.

Claims for the aggregate sum of **\$3,208,460** arose by the death of 696 persons assured under 823 policies, and include a sum of **\$458,590** paid away in claims due to the War, but notwithstanding this exceptional strain upon the funds the total amount paid was within the normal expectation. A further sum of **\$747,920** was paid in respect of endowment assurances matured. Fifty annuitants, in receipt of **\$20,415** per annum, died during the year.

The income of this department for the year was **\$5,850,530** and the outgoings (including depreciation written off) were **\$6,061,665**. The Life Assurance funds at the close of the year stood at **\$53,904,205**. The rate of interest calculated upon the average funds of the year was **3.80** per cent. after deduction of income-tax.

The Quinquennial Valuation of the "British Empire Fund" was made as at the close of the year on the same strict bases as on the last occasion, and, in accordance with Clause 10 of the First Schedule of the Pelican and British Empire Life Office Act, 1903, the Directors declared the sum of **\$674,200** as the amount of the surplus to be divided among the holders of "British Empire" participating policies. Bonus allotments will accordingly be made in respect of all such policies.

#### PROFIT AND LOSS ACCOUNT.

By the operations of the year a trading profit from Fire, Accident and Marine accounts of **\$1,528,995** has been passed to Profit and Loss, in addition to **\$763,675** for interest.

After payment of dividends and the interest on the Debenture Stocks, together amounting to **\$901,375**, the Directors have applied **\$430,000** in writing down the securities in the Fire, Accident, Marine and Shareholders' accounts to the estimated market price at 31st December, 1916, and have carried **\$125,000** to Office Premises Account. Full provision has been made for special taxes and bad debts, these items being exceptionally large as a consequence of the War. A balance of **\$1,309,745** remains to be carried to the credit of next year's account.

An interim dividend of **85 cents** per share was paid in November last and the Directors recommend payment on 1st May next of a final dividend of **\$1.15** per share, making a total payment of **\$2** per share for the year 1916. All dividends are subject to deduction of income tax.