PHOENIX ASSURANCE COMPANY

LIMITED

Report of the Directors for the year ending 31st December, 1915

The Directors have the pleasure of submitting their Report on the business of the Company for the year ending 31st December, 1915, **the 134th year of the Company's existence,** together with the Accounts duly audited.

FIRE DEPARTMENT.

The net premiums amounted to **$7,281,765,** and the net losses to **$3,695,150,** or 50.7 per cent. of the premiums. The expenses and commission together amounted to **$2,849,600** being 39.1 per cent. of the premiums. A profit is shewn in this department of **$737,015,** which with the net receipts for interest of **$305,540** makes a total of **$1,042,555** to be carried to Profit and Loss.

LIFE DEPARTMENT.

During the year, 1,391 Life policies were issued, assuring **$5,049,590,** with new premiums of **$233,440.** Re-assurances were effected with other companies for **$1,732,835** at premiums of **$32,120.** The net new assurances were thus **$4,316,755,** and the net new premium income **$201,320,** including **$16,450** of single premiums.

Ninety-seven immediate annuities were granted for **$22,005** per annum, the consideration money received being **$242,815.** Eight deferred reversionary and contingent annuities for **$4,335** per annum at premiums of **$4,665** were also granted.

Claims for the aggregate sum of **$3,492,850** arose by the death of 671 persons assured under 815 policies, and a further sum of **$837,240** was paid in respect of endowment assurances matured. A sum of **$318,885** was paid away in claims due to the War but notwithstanding this the total amount was within the normal expectation. Fifty-two annuitants, in receipt of **$22,600** per annum, died during the year.

The income of this department for the year was **$5,879,220** and the outgoings (including the special item for depreciation and the amount transferred to Profit and Loss referred to in the next paragraph) were **$6,734,830.** The Life Assurance funds at the close of the year stood at **$54,115,335.** The rate of interest calculated upon the average funds of the year was 3.97 per cent., after deduction of income-tax.

The quinquennial valuation of the Assets and Liabilities of the Phœnix Life Funds was made as at the 31st December last. The Assets were written down to their approximate market values by the application for that purpose of a sum of **$780,945** in addition to the Investment Reserve Fund of **$194,150.**

The Liabilities have been valued on the same basis as was adopted on the last occasion, namely the Om Table for Assurances and the Oa Table for Annuities, at 3 per cent. interest, by the net premium method.

(*a*) The Directors are glad to be able to declare the following bonuses:—

1. Under Participating Policies, with full Bonus rights, a Reversionary Bonus at the rate of $15 per $1,000 per annum on the Sum Assured.
2. Under "Survivors' Bonus" Policies, Contingent Reversionary Bonus additions equivalent to 25 per cent. of the tabular premiums received in the quinquennium.

(*b*) In the Non-Participating Section, in which the Profits belong to the Shareholders, the Directors have resolved to carry a sum of **$125,000** to Profit and Loss.

After providing for (*a*) and (*b*) as above, the balances carried forward amount to **$205,710** as compared with **$203,150** brought forward five years ago.

PROFIT AND LOSS ACCOUNT.

The operations of the year resulted in a trading profit from Fire, Accident and Marine accounts of **$1,295,225,** which with **$125,000** the shareholders' proportion of the Life profits for the quinquennium 1911-1915 makes a total of **$1,420,225.** This amount has been passed to Profit and Loss, in addition to **$783,570** for interest.

After payment of dividends and the interest on the Debenture Stocks, amounting to **$975,615,** the Directors have applied **$370,000** in writing down the securities in the Fire, Accident, Marine and Shareholders' accounts to the estimated market price at 31st December, 1915, and have resolved to carry **$500,000** to the Fire Account (General Reserve) and **$125,000** to Office Premises Account. These operations, together with other smaller items appearing in this Account, leave a balance of **$1,269,095** to be carried to the credit of next year's account.

An interim dividend of 87 cents per share was paid in November last and the Directors recommend payment on 1st May next of a final dividend of $1.13 per share, making a total payment of $2 per share for the year 1915. All dividends are subject to deduction of income tax.