COMMERCIAL UNION

Assurance Company, Limited.

The Directors have much pleasure in submitting to the Shareholders their Forty-First Annual Report, with the Audited Accounts.

FIRE DEPARTMENT.

The Net Premiums for 1902 amounted to £1,740,052, being an increase of £75,645 as compared with the year 1901, and the losses paid and outstanding to £876,507 or 50.3 per cent. of the Premium Income.

From the Profits of this Department the sum of £105,000 has been appropriated to complete the purchase of the "Palatine" business, and the sum of £60,000 has been carried to Profit and Loss; and, after providing for outstanding Losses, the Fire Fund stands at £1,538,901 as against £1,377,798 at the same time last year.

LIFE DEPARTMENT.

The New Business of the year consisted of 1,093 Policies assuring £850,908, while the New Premiums included in the Account amounted in gross to £41,823.

The claims by death, £132,731 were within the amount expected.

The transactions of the year resulted in a surplus of £138,498, and, with the addition of £9,897 3s 2d transferred from Investment Reserve Fund (being profits realized during the quinquennial period from sales of Securities), increased the Life Assurance Fund to £2,592,271.

Quinquennial Bonus.—The Eighth Quinquennial Valuation has resulted in a divisible surplus of £314,311, of which the sum of £249,867 belongs to the policyholders as compared with £214,921 at the preceding distribution. The proportion to which the Shareholders are entitled amounts to £64,444, after taking into account Interim Bonuses paid to policyholders.

MARINE DEPARTMENT.

The Net Premiums received were £229,104, and the Net Losses paid and outstanding amounted to £98,586.

From the Profits of this Department the sum of £50,000 has been carried to Profit and Loss; and, after providing for outstanding Losses, the Marine Fund stands at £438,122.

ACCIDENT DEPARTMENT.

The Net Premiums received amounted to £110,212, and the Losses paid and outstanding to £57,777.

PROFIT AND LOSS.

This account has been closed, with a balance of **£151,738 1 0**

	£ s. d.
and out of that amount the Directors recommend:—	
(*a*) The payment of a Dividend of Twenty-five Shillings per Share (free of Income Tax), making, with the Interim Dividend of Fifteen Shillings per Share paid in November last, 40 per cent. for the year 1902..	62,500 0 0
(*b*) The provision for an Interim Dividend on account of the year 1903, of Fifteen Shillings per Share to be paid on the 6th November next..	37,500 0 0
leaving a balance to be carried forward of..	51,738 1 0
	£151,738 1 0

FIRE DEPARTMENT.

REVENUE ACCOUNT, from 1st JANUARY to 31st DECEMBER, 1902.

DR. *To*	£ s. d.
Amount of Fire Fund at the beginning of the year..	1,377,798 13 8
Premiums, after deduction of Re-insurances..	1,740,052 8 5
Interest..	41,757 10 0
	£3,159,608 12 1

By	£ s. d.	CR. £ s. d.
Losses paid and outstanding, after deduction of Re-insurances..		876,507 2 0
Commission and Brokerage..		260,642 0 8
Contributions to Fire Brigades	11,298 12 11	
State Charges—		
Expenses of Management..	27,610 17 2	
Foreign..	279,341 12 11	
		318,251 3 0
Bad Debts..		306 19 10
Appropriation to "Palatine" purchase..		105,000 0 0
Amount to Profit and Loss..		60,000 0 0
Amount of Fire Fund at the end of the year		1,538,901 6 7
		£3,159,608 12 1

BALANCE SHEET OF THE COMPANY.

31ST DECEMBER, 1902.

Liabilities.

		£ s. d.
SHAREHOLDERS' CAPITAL— Subscribed—50,000 Shares of £50 each £2,500,000 0 0		
Paid-up..		250,000 0 0
"West of England" 4 p.c. Term. Deb. Stock		300,000 0 0
"Palatine" Ditto		272,000 0 0
Terminable Debentures issued by "Palatine" of Manchester..		30,000 0 0
Balance of Appropriation for payment of "Palatine" Purchase..		29,344 1 10
General Reserve Fund..		200,000 0 0
Investment Reserve Fund..		26,868 6 5
Guarantee and Pension Fund..		50,000 0 0
Fire Fund..		1,538,901 6 7
Life Account, as per separate Balance Sheet		2,657,580 0 6
Marine Fund..		438,122 12 4
Accident Fund..		38,600 15 2
Profit and Loss Account..		151,738 1 0
Leasehold Redemption and Sinking Fund		1,863 17 10
Bills payable..		5,654 11 4
Unclaimed Dividends and Interest..		607 17 4
Perpetual Premiums and Fire Deposits..		18,023 19 10
Interest received in advance of due dates..		468 18 0
Temporary Deposit by Life Department..		12,942 19 11
Amounts due to Agents and others..		5,999 19
Outstanding Losses:—		
Fire..	£170,412 0 0	
Marine..	7,023 0 0	
Accident..	14,590 2 7	
Amounts due to other Companies for Re-insurances	148,723 7 5	
		340,748 10 0
		£6,369,465 17 6

Assets.

	£ s. d.
Mortgages on Property within the United Kingdom..	30,348 14 4
Mortgages on Property out of the United Kingdom..	89,889 19 0
Mortgages on Rates raised under Acts of Parliament..	18,525 15 1
Loans upon Life Interests and Reversions	4,100 0 0
Loans upon Personal Security..	2,072 15 8
Life Investments and Outstanding Accounts, as per separate Balance Sheet..	2,657,580 0 6
INVESTMENTS—	
British Government Securities..	134,187 17 5
Indian and Colonial Government Securities..	214,134 11 6
Colonial Municipal Securities..	70,172 18 3
Foreign Government Securities..	165,767 8 2
United States Government Securities	193,354 17 8
Do. Railway Bonds..	430,250 8 9
Do. Railway Stocks..	54,548 0 0
Do. Municipal Securities	173,376 0 2