

COMMERCIAL UNION

Assurance Company, Limited

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

FIRE DEPARTMENT.

The Net Premiums for 1905 amounted to £2,074,789, being an increase of £107,077 as compared with the year 1904, and the losses paid and outstanding to £937,920 or 45.2 per cent of the Premium Income.

From the Profits of this Department the sum of £165,090 has been carried to Profit and Loss; and, after providing for outstanding Losses, the Fire Fund stands at £2,248,679 as against £1,983,004 at the same time last year.

LIFE DEPARTMENT.

The New Business of the year consisted of 1,672 Policies for £1,140,251, while the New Premiums included in the account amounted to £48,189. In addition 852 Policies for £593,206 were issued before the "Hand-in-Hand" Amalgamation was completed on 30th June, in respect of which New Premiums of £15,831 were carried to the Hand-in-Hand Fund. The total New Business was therefore 2,524 Policies for £1,733,457.

The claims by death, £152,958, were within the amount expected.

The transactions of the year resulted in a surplus of £201,013 and increased the Life Assurance Fund to £2,977,562.

MARINE DEPARTMENT.

The Net Premiums received were £237,255 and the Net Losses paid and outstanding amounted to £147,122.

From the Profit of this Department the sum of £20,000 has been carried to Profit and Loss; and, after providing for outstanding Losses, the Marine Fund stands at £594,693.

ACCIDENT DEPARTMENT.

The Net Premiums received amounted to £170,778, and the Losses paid and outstanding to £83,003. The operations of the year resulted in a surplus of £30,018, and increased the Accident Fund to £122,229.

FIRE DEPARTMENT.

REVENUE ACCOUNT, FROM 1ST JANUARY TO 31ST DECEMBER, 1905.

Dr.	£	s.	d.
To			
Amount of Fire Fund at the beginning of the year	1,983,004	17	11
Premiums, after deduction of Reinsurances .. .	2,074,789	11	3
Interest	65,557	18	10
	£4,123,352	8	0
		Cr.	
By	£	s.	d.
Losses paid and outstanding after deduction of Reinsurances .. .	937,920	3	9
Commission and Brokerage	322,979	10	7
Contributions to Fire Brigades	13,182	15	5
State Charges—			
Foreign	35,989	14	10
Expenses of Management	378,044	5	5
	427,216	15	8
Bonuses on "Hand-in-Hand" Policies under the Act	21,410	0	10
Bad Debts	146	6	2
Amount to Profit and Loss	165,000	0	0
Amount of Fire Fund at the end of the year 2,248,679 .. .			
	£4,123,352	8	0

PROFIT AND LOSS.

1ST JANUARY TO 31ST DECEMBER 1905.

Dr.	£	s.	d.
To			
Balance of last year's Account	175,751	16	7
Interest and Dividends not carried to Departmental Accounts	45,905	16	3
Amount Transferred from Fire Department .. .	165,000	0	0
Amount Transferred from Marine Department .. .	21,000	0	0
One fifth of Shareholders' Proportion of Life Profits (1898-1902) £64,444	12,888	16	0
Transfer Fees	87	2	6
	£419,633	11	4
		Cr.	
By	£ <td>s. <td>d.</td> </td>	s. <td>d.</td>	d.
Dividend paid 3rd May	62,500	0	0
Interim Dividend paid 3rd Nov.	62,500	0	0
Interest on "West of England" Debenture stock .. .	11,329	18	6
Interest on "Palatine" Debenture Stock	10,011	3	6
Income Tax on Profits	13,372	18	0
Alterations and Repairs at Head Office and Branches—			
Expenditure during the year	4,256	6	1
Office Fittings and Furniture—			
Expenditure during the year	5,619	13	10
Amount written off Freehold Office	20,000	0	0
Guarantee and Pension Fund	28,543	12	6
Balance carried to next year's Account	201,499	18	11
	£419,633	11	4

BALANCE SHEET OF THE COMPANY.

31ST DECEMBER, 1905.

LIABILITIES.

	£	s.	d.
SHAREHOLDERS' CAPITAL—			
Subscribed—50,000 Shares of £50 each £2,500,000 0 0			
Paid-up	250,000	0	0
General Reserve Fund	£200,000	0	0
Investment Reserve Fund	26,649	11	2
Guarantee and Pension Fund	100,000	0	0
Profit and Loss Account	201,499	18	11
Shareholders' Life Profits Account	25,777	12	0
	553,927	21	1
Fire Fund	£2,248,679	11	0
Marine Fund	594,693	17	2
Accident Fund	122,229	15	0
	2,965,603	33	1
"West of England" 4 p. c Term. Deb. Stock	£297,956	0	0
"Palatine" Ditto	262,562	0	0
	560,518	0	0
Balance of Appropriation for "Palatine" Purchase	12,835	8	5
Leasehold Redemption and Sinking Fund Account	15,556	7	9
Amounts due to other Companies for Reinsurances	212,229	8	9
Amount due to "Hand-in-Hand" Fund	10,669	8	1
Outstanding Losses:—			
Fire	£152,638	6	3
Marine	5,498	0	0
Accident	28,727	19	2
	186,864	5	5
Perpetual Premiums, Fire Deposits and Survey Fees	17,957	16	0
Bills Payable	17,759	2	2
Amounts due to Agents and others .. .	5,515	9	8