COMMERCIAL UNION
Assurance Company, Limited.

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

FIRE DEPARTMENT.

The Net Premiums for 1903 amounted to £1,771,820, being an increase of £31,768, as compared with the year 1902, and the losses paid and outstanding to £862,759 or 48.7 per cent. of the Premium Income.

From the Profits of this Department the sum of £100,000 has been carried to Profit and Loss; and, after providing for outstanding Losses, the Fire Fund stands at £1,781,576 as against £1,538,901 at the same time last year.

LIFE DEPARTMENT.

The New Business of the year consisted of 1,122 Policies assuring £954,780, while the New Premiums included in the Account amounted in gross to £52,619.

The claims by death, £142,519, were within the amount expected.

Notwithstanding the quinquennial payments of £118,363 in respect of profits to Policyholders and Shareholders, the Life Fund at the end of the year showed an increase of £26,817, and stood at £2,619,089.

MARINE DEPARTMENT.

The Net Premiums received were £231,684, and the Net Losses paid and outstanding amounted to £113,147.

From the Profits of this Department the sum of £40,000 has been carried to Profit and Loss; and, after providing for outstanding Losses, the Marine Fund stands at £485,094 16s. 11d.

ACCIDENT DEPARTMENT.

The Net Premiums received amounted to £117,548, and the Losses paid and outstanding to £55,825.

PROFIT AND LOSS.

This account has been closed with a balance of	**£169,998 13 0**
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 paid in November last, Forty Shillings per Share for the year 1903..	62,500 0 0
(*b*) The provision for an Interim Dividend on account of the year 1904, of Twenty Shillings per Share to be paid on the 4th Nov. next..	50,000 0 0
leaving a balance to be carried forward of..	57,498 13 0
	£169,998 13 0

FIRE DEPARTMENT.

REVENUE ACCOUNT, FROM 1ST JANUARY TO 31ST DECEMBER, 1903.

DR. *To*	£ s. d.
Amount of Fire Fund at the beginning of the year..	1,538,901 6 7
Premiums, after deduction of Reinsurances..	1,771,819 11 11
Interest..	47,789 16 10
	£3,358,510 15 4

By	£ s. d.	CR. £ s. d.
Losses paid and outstanding, after deduction of Reinsurances..		862,759 0 6
Commission and Brokerage ..		279,458 18 0
Contributions to Fire Brigades	12,482 10 7	
State Charges—		
Foreign..	29,030 4 0	
Expenses of Management.. ..	292,736 0 4	
		334,248 14 11
Bad Debts..		467 17 6
Amount to Profit and Loss		100,000 0 0
Amount of Fire Fund at the end of the year..		1,781,576 4 5
		£3,358,510 15 4

BALANCE SHEET OF THE COMPANY.

31ST DECEMBER, 1903.

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		298,700 0 0
"Palatine" Ditto		267,468 0 0
Terminable Debentures issued by "Palatine" of Manchester		30,000 0 0
Balance of Appropriation for payment of "Palatine" Purchase		16,374 6 7
General Reserve Fund..		200,000 0 0
Investment Reserve Fund		26,009 8 5
Guarantee and Pension Fund..		60,000 0 0
Shareholders' Life Profits..		51,555 4 0
Fire Fund..		1,781,576 4 5
Life Account, as per separate Balance Sheet		2,713,094 13 6
Marine Fund		485,094 16 11
Accident Fund..		60,691 14 6
Profit and Loss Account		169,998 13 0
Leasehold Redemption and Sinking Fund.		2,891 2 11
Bills Payable..		2,437 16 7
Unclaimed Dividends and Interest..		660 1 4
Perpetual Premiums and Fire Deposits...		18,012 10 8
Interest received in advance of due dates		6,955 15 7
Amounts due to Agents and others..		4,097 2 3
Outstanding Losses—		
Fire..	£152,191 0 0	
Marine..	5,731 0 0	
Accident	15,857 16 10	
Amounts due to other Companies for Reinsurances	183,902 19 2	
		357,682 16 0
Survey Fees		28 0 0
		£6,803,328 6 8

Assets.

	£ s. d.
Mortgages on Property within the United Kingdom	27,898 14 3
Mortgages on Property out of the United Kingdom	66,811 0 0
Mortgages on Rates raised under Acts of Parliament	18,098 5 11
Loans upon Life Interests and Reversions	47,600 0 0
Loans upon Personal Security..	1,172 15 8
Life Investments and Outstanding Accounts, as per separate Balance Sheet..	2,713,094 13 6
INVESTMENTS—	
British Government Securities..	170,000 0 0
Indian and Colonial Government Securities	280,072 11 5
Colonial Municipal Securities..	71,034 9 11
Foreign Government Securities..	193,641 13 9
United States Government Securities	192,502 4 8
Do. Railway Bonds..	576,492 4 8
Do. Railway Stocks..	113,148 1 4
Do. Municipal Securities.. ..	181,415 6 8
Railway and other Debentures and Debenture Stocks..	318,149 15 2
Railway and other Stocks and Shares	132,458 3 6
Freehold Premises at Home and Abroad, partly occupied as Offices of the Company, and partly producing revenue..	644,422 16 2
Leasehold Premises ditto ditto ..	20,506 10 11
Branch Agency and other Balances	389,872 14 6