

The balance of £44,193 4s. 10d., now in hand, is distributed as follows:—

At credit of Shareholders	£6,279	10	11
Depositors	8,270	11	9
Annuity Fund	1,475	16	1
Accumulated Assurance Fund	28,167	6	1
	£44,193	4	10

The system on which the profits of the Company have been and are still divided requires slight remark. We have found in past years that the statement presented in the Report, that the profits to be divided equal 15 per cent. upon the premiums received in the year, has been more or less misinterpreted by several of our members. These individuals have anticipated the immediate receipt of 15 per cent. upon the gross amount of premiums paid. A careful perusal of previous reports would have prevented any such misconception. The fact is, that the division is not made upon the premium paid by each individual, but upon the surplus which each individual contributes towards the fund from which the profits arise. Every premium is composed of the net office rate required according to the accepted table of mortality, at a given rate of interest, with such an addition as may seem to be necessary to cover contingencies; and it is upon the accumulated amount of this addition, improved at compound interest, according to the duration of the policies, that the division of the profit is really made. Therefore, though we say that the profits divided are in the proportion of 15 per cent. upon the gross amount of premium received, no individual can make his own calculation; he must receive that made by the Company. Some get a little more than 15 per cent. on their