

ROYAL INSURANCE COMPANY

REPORT FOR THE YEAR 1902.

The Directors beg to report the results of the Company's operations for the year 1902.

Fire Department.

The Fire Premiums after deduction of Reinsurances, amounted to **\$13,817,605**, and the net losses to **\$7,231,380**. Deducting Agents' Commission, and all Management Expenses, the surplus on the Fire business amounts to **\$1,825,535**, of which **\$1,000,000** has been transferred to the Fire Fund, and the balance—**\$825,535**—carried to Profit and Loss.

Life Department.

During the year new proposals were accepted for **\$5,863,905**, of which amount **\$5,550,205** has been completed, and the corresponding Premiums obtained to the closing of the accounts were **\$244,260**. The proposals declined during the period amounted to **\$939,805**. The total income from Premiums, after deducting Reinsurances, amounted to **\$3,196,600**, and the Interest received from Investments, exclusive of that on the Annuity Fund, was **\$1,380,185**.

In the Annuity Branch the purchase money received for new annuities together with the premiums on contingent annuities, amounted to **\$454,385**, and the interest to **\$93,695**. Sixty-three annuities expired during the year, the annual payments on which amounted to **\$15,060**.

After payment of all claims, annuities, bonuses in cash, and expenses of every description, a balance of **\$1,467,540** has been added to the Life Funds, making the total accumulations of the Life and Annuity Branches of the Company, **\$41,703,880**.

Profit and Loss.

The amount at the credit of the Profit and Loss Account, after payment of the dividend for the year 1901, was.. .. \$2,202,940
Less Income Tax.. .. 10,385

\$2,282,005

To which have been added—

Amount from Fire Account.. \$ 825,535
Interest, not carried to other
accounts.. .. \$ 560,000
Transfer fees.. .. 220

1,386,355

\$3,668,360

Less interim dividend paid 16th
December last.. .. 587,830

\$3,080,530

Dividend.

The directors recommend, in addition to the above interim dividend of \$4.50 per share, a further dividend of \$5.00 per share, payable on the 17th June, free of Income Tax, which will absorb.. .. \$ 653,145

Balance of Profit and Loss.. .. **\$2,427,385**

Funds.

After providing for payment of the dividend, the funds of the Company will stand as follows, viz.—

Capital paid up.. .. \$ 1,959,435
Life Funds.. .. **41,703,880**
Superannuation Fund.. .. **262,375**
Fire Fund.. .. \$5,640,000
Reserve Fund.. .. 7,911,965
Balance of Profit and Loss.. .. 2,427,385

15,979,350

\$59,925,045

Life Assurance Account.

1902.
Amount of Life Assurance Fund at the beginning of the year.. .. \$37,063,755
Premiums after deduction of Reassurance
Premiums.. .. 3,196,600
Interest.. .. 1,380,180
Assignment Fees.. .. 1,480

\$42,242,025

1902.
Claims under Life Policies including Reversionary Bonuses (after deduction of sums Reassured).. .. \$2,735,735
Surrenders.. .. 248,750
Bonuses in Cash.. .. 25,800
Commission.. .. 158,565
Expenses of Management.. .. 244,380
Amount of Life Assurance Fund at the end of the year as per Balance Sheet.. .. 38,828,725

\$42,242,025

Annuity Account.

1902.
Amount of Annuity Fund at the beginning of the year.. .. \$2,572,585
Consideration for Annuities granted.. .. 454,385
Interest.. .. 93,695

\$3,120,665

1902.
Annuities.. .. \$232,935
Surrenders.. .. 1,250
Commission.. .. 6,445
Expenses of Management.. .. 4,875
Amount of Annuity Fund at the end of the year as per Balance Sheet.. .. 2,875,100

\$3,120,665

Fire Account.

1902.
Amount of Fire Fund at the beginning of the year.. .. \$4,640,000
Premiums received after deduction of Reinsurances.. .. 13,817,605

\$18,457,605

1902.
Losses by Fire after deduction of Reinsurances.. \$7,241,380
Commission.. .. 1,953,650
Expenses of Management.. .. 2,807,040
Amount carried to Profit and Loss.. \$1,825,535
Less added to Fire Fund.. .. 1,000,000

825,535

Amount of Fire Fund at the end of the year as per Balance Sheet.. .. **5,640,000**

\$18,457,605