

PHOENIX ASSURANCE COMPANY

LIMITED

Report of the Directors for the year ending 31st December, 1914

The Directors have the pleasure of submitting their Report on the business of the Company for the year ending 31st December, 1914, the 133rd year of the Company's existence, together with the Accounts duly audited.

FIRE DEPARTMENT.

The net premiums amounted to **\$7,141,855** and the net losses to **\$4,002,930** or **56** per cent. of the premiums. The expenses and commission together amounted to **\$2,790,860**, being **39** per cent. of the premiums. A profit is shown in this department of **\$348,065**, which with the receipts for interest of **\$320,215**, makes a total of **\$668,280** to be carried to profit and loss.

LIFE DEPARTMENT.

During the year **1,856** Life policies were issued, assuring **\$7,257,535** with new premiums of **\$327,600**. Re-assurances were effected with other companies for **\$923,820** at premiums of **\$34,955**. The net new assurances were thus **\$6,333,715**, and the net new premium income **\$292,645**, including **\$40,890** of single premiums.

Two hundred and twenty-seven immediate annuities were granted for **\$65,590** per annum, of which **\$1,890** per annum was re-assured, the net consideration money received being **\$628,105**. Fourteen deferred and contingent annuities for **\$6,625** per annum at premiums of **\$6,910** were also granted.

Claims for the aggregate sum of **\$3,112,345** arose by the death of **568** persons assured under **694** policies, and a further sum of **\$610,730** was paid in respect of endowment assurances matured. The amount paid in claims was within the expectation. Forty-three annuitants, in receipt of **\$16,260** per annum, died during the year.

The income of this department for the year was **\$6,440,130**, and the outgoings were **\$6,499,410**, (including the special item for depreciation and the amount transferred to Profit and Loss referred to in the next paragraph.) The Life Assurance funds at the close of the year stood at **\$54,970,945**. The rate of interest calculated upon the average funds of the year was **4.12** per cent. after deduction of income tax.

The quinquennial valuation of the Law Life funds was made as at the close of the year, on the same basis as on the last occasion and in accordance with the Transfer Agreement of the 13th December, 1909. After writing **\$1,161,110** off the Life fund, thus putting the Stock Exchange securities on the level of estimated market values on 31st December, 1914, the valuation disclosed an available surplus of **\$1,572,170**, of which surplus the sum of **\$274,260** was transferred to Profit and Loss as the shareholders' proportion of the Law Life profits, and **\$1,297,910** was apportioned to the policyholders. Equivalent allotments of reversionary bonus have been made in respect of all policies entitled to participate.

PROFIT AND LOSS ACCOUNT.

The operations of the year resulted in a total trading profit from Fire, Accident and Marine Accounts of **\$605,790**, which with **\$274,260** the shareholders' proportion of the Law Life profits for the quinquennium 1910-1914, makes a total of **\$850,050**. This amount has been passed to profit and loss, in addition to **\$790,505** for interest.

After payment of dividends and the interest on the Debenture Stocks, amounting to **\$1,035,370**, the Directors have applied **\$670,000** in writing down the Securities in the Fire, Marine and Law Life Guarantee accounts to the estimated market price at 31st December, 1914, leaving a balance of **\$1,252,470** to be carried to the credit of next year's account.

An interim dividend of **85** cents per share was paid in October last, and the Directors recommend payment on 1st May next of a final dividend of **\$1.10** per share, making a total payment of **\$1.95** per share for the year 1914. All dividends are subject to deduction of Income Tax.