

FOURTH SCHEDULE.

2. The net liabilities and assets of the Department, with the amount of surplus, are shown in the Valuation Balance-sheet given on page 11.

VIII.

All participating policies in force at the date of the valuation share in the profits. The surplus is allotted in the form of compound reversionary bonuses which vest immediately and are payable with the sum assured in the event of a claim ; but, except in the case of short-term double-endowment policies, they do not acquire a cash value for surrender purposes until the policies to which they belong have been two years in existence.

IX.

The results of the valuation are as follows :—

- (1) The surplus arising during the year ended the 31st December, 1938, including a balance of £8,796 carried forward from 1937, was £239,799, of which amount £4,366 has been paid as interim bonuses during the year.
- (2) The surplus divided among the policyholders as at the 31st December, 1938, was £220,192, which has been converted into reversionary bonuses amounting to £366,219. The number of policies which participated was 71,909, assuring the sum of £21,167,159, or, including reversionary additions, £24,630,518.
- (3) The following are specimens of the bonuses which have been allotted for the year ended the 31st December, 1938, to policies for £100 issued under the present premium tables and upon which all previously allotted bonuses had been allowed to remain :—

ENDOWMENT ASSURANCES MATURING AT AGE 80.

Number of Years in Force.	AGE AT ENTRY, 20.		AGE AT ENTRY, 30.		AGE AT ENTRY, 40.		AGE AT ENTRY, 50.		Number of Years in Force.
	Reversionary Bonus.	Cash Value.	Reversionary Bonus.	Cash Value.	Reversionary Bonus.	Cash Value.	Reversionary Bonus.	Cash Value.	
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	
5	1 18 0	0 9 2	1 18 0	0 11 8	1 18 0	0 15 1	1 18 0	0 19 8	5
10	2 2 0	0 11 5	2 2 0	0 14 8	2 2 0	0 19 1	2 2 0	1 4 6	10
15	2 6 0	0 14 2	2 6 0	0 18 3	2 6 0	1 3 9	2 6 0	1 10 3	15
20	2 8 0	0 16 10	2 8 0	1 1 10	2 8 0	1 8 0	2 8 0	1 15 5	20
25	2 11 0	1 0 2	2 11 0	1 6 4	2 11 0	1 13 7	2 11 0	2 2 9	25
30	2 13 0	1 4 1	2 13 0	1 10 11	2 13 0	1 19 1	2 13 0	2 13 0	30

ENDOWMENT ASSURANCES.—TERM 20 YEARS.

5	1 12 0	0 17 3	1 12 0	0 17 6	1 12 0	0 17 10	1 12 0	0 18 11	5
10	1 15 0	1 3 0	1 15 0	1 3 2	1 15 0	1 3 9	1 15 0	1 4 3	10
15	1 18 0	1 10 7	1 18 0	1 10 8	1 18 0	1 10 11	1 18 0	1 11 2	15
20	2 1 0	2 1 0	2 1 0	2 1 0	2 1 0	2 1 0	2 1 0	2 1 0	20

The cash values of the reversionary bonuses are computed by the HM Table of Mortality, with interest at $4\frac{1}{2}$ per cent.

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