1939.
NEW ZEALAND.

ANNUAL REPORT

OF THE

GOVERNMENT INSURANCE COMMISSIONER

FOR THE YEAR ENDED 31st DECEMBER, 1938.

Presented to both Houses of the General Assembly pursuant to the Provisions of the Government Life Insurance Act, 1908.

Government Insurance Office, Wellington, 20th April, 1939.

I HAVE the honour to submit the following report upon the transactions of the Department for the year ended 31st December, 1938, and its position at that date. The Revenue Account, Balance-sheet, and Statement of Business are appended.

New Business and Amount of Business in Force.—New business for the year amounted to 9,275 policies, assuring the sum of £3,436,406, the premiums thereon being £70,506 per annum. Fifty-six annuities were also granted, the purchase-money being £22,999. The total business in force at the end of the year (including immediate, deferred, and contingent annuities for £96,011 per annum) comprises 86,155 policies, bearing an annual premium income of £746,268. The total sum assured is £28,184,780, to which reversionary bonuses amounting to £3,463,359 have been added.

Income.—The total income amounted to £1,287,391, made up as follows: Premium income, £802,230; interest income (net), £462,162; annuity-purchase money, £22,999. The total for the year exceeded that for the previous year by £68,086.

Outgoings.—During the year 2,019 policies became claims by the death of the policyholders and by maturity, the payment involved being £759,187. The total amount paid in claims since the inception of the Department amounts to £16,607,832.

Accumulated Funds.—Assurance, Annuity, and Endowment Funds, apart from special reserves of £404,045, now stand at £10,575,749, an increase of £226,501 over the previous year.

Investments.—On the 31st December, 1938, the total assets of the Department amounted to £11,055,165, and were invested as follows:—

Class of Investment.	Percentage of Total Assets.
Mortgages of freehold property	42·7
Government securities, including rural advances bonds	22·9
Local-body debentures	15·9
Loans on policies	11·2
Landed and house property	4·1
Miscellaneous assets	3·2

Annual Bonus Distribution.—The usual bonus investigation was carried out by the Actuary, and his report, appended hereto, discloses a net surplus of £235,433 (excluding interim bonuses paid during the year) in respect of this year. Of this sum, £220,192 was allotted in the form of compound reversionary bonuses upon the sum assured and existing bonuses, the total reversionary bonuses thus allotted amounting to £366,219.

It was found necessary to make a slight reduction in the rate of bonus as compared with the rate declared for several years past. This was brought about by the lower rate of interest which the Department has been able to realize on its investments. The position is one which all life offices have had to face in recent years, and it is to the Department's credit that it has been able to maintain its bonus rates at such a high level notwithstanding the low interest rates.

Expense Ratios.—The ratio of expenses to (*a*) total income and (*b*) premium income for 1936, 1937, and 1938 is as follows:—

Ratio of expenses to	1936.	1937.	1938.
(*a*) Total income	9·17	10·35	9·73
(*b*) Premium income	14·01	15·58	15·18

The expense ratios must be regarded as very satisfactory in view of the fact that the new business (and consequently the commission payable) was the highest in the history of the Department.

General.—Summarizing the results for the year:—

(1) The new business was again the highest ever transacted by the Department in any one year.

(2) The total income increased by £68,086.

(3) Claims increased by £205,879 (chiefly due to War loan policies maturing).

(4) Total funds increased by £226,501.

(5) Profits divided amounted to £220,192.

During the year the Department moved into its new Head Office building, and the facilities enjoyed in the new premises will greatly assist the prosecution of the Department's work. The building is not yet quite completed, but it is hoped that it will be by the end of the current year. Arrangements for letting practically the whole of the building have been completed.

A fine new building for the Department's Nelson branch is also nearing completion.

In conclusion, I should like to pay a tribute to the good work done by all members of the staff (both office and field). It is due to their efficiency, zeal, and loyalty that the Department holds such a high position in the keenly competitive field of life insurance.

W. E. Arnold, Commissioner.

Revenue Account of the Government Life Insurance Department for the Year ended 31st December, 1938.

	£ s. d.	£ s. d.
Amount of funds at 1st January, 1938		10,349,248 6 5
Renewal premiums—Assurance, annuity, and endowment, less reinsurance premiums		665,590 3 1
New premiums (including instalments of first year's premiums falling due in the year) less reinsurance premiums		70,180 10 11
Single premiums—Assurance and endowment		66,459 14 4
Consideration for annuities		22,999 3 3
Interest, rent, and other income	465,394 6 2	
Less property expenses	3,231 18 9	
		462,162 7 5
		£11,636,640 5 5

	£ s. d.	£ s. d.
Death claims under assurance policies, including bonus additions ..		221,198 1 0
Endowment assurances matured, including bonus additions		524,236 1 0
Endowments matured		13,049 5 0
Premiums returned on endowments ..		703 0 0
Bonuses surrendered for cash ..		7,728 0 5
Annuities		35,392 6 6
Surrenders		39,875 12 11
Loans released by surrender ..		45,495 16 2
Commission, new ..	53,089 15 4	
Commission, renewal ..	5,781 19 0	
		58,871 14 4
Contribution to Public Service Superannuation Fund		681 18 2
Land and income tax		36,280 11 7
Expenses of management—		
Salaries	41,419 4 10	
Extra clerical assistance	432 9 8	
Medical fees and expenses	2,719 0 6	
Travelling-expenses	751 12 3	
Advertising ..	552 5 3	
Printing and stationery	1,621 8 4	
Rent	5,817 3 4	
Postage and telegrams	1,872 4 5	
Exchange ..	43 0 9	
Audit fees ..	325 0 0	
General expenses ..	6,908 19 1	
Services rendered by Government Actuary	3,244 10 2	
		65,706 18 7
Property depreciation		1,671 13 1
Transfer to Investment Fluctuation Reserve Account		10,000 0 0
Amount of funds, 31st December, 1938		10,575,749 6 8
		£11,636,640 5 5

Balance-sheet of the Government Life Insurance Department on 31st December, 1938.

Liabilities.	£ s. d.	£ s. d.
Total assurance, annuity, and endowment funds (as per Revenue Account)		10,575,749 6 8
Claims admitted, proofs not yet completed		51,058 13 9
Annuities		266 14 8
Medical fees		403 4 0
Premium and other deposits ..		16,806 8 1
Sundry creditors		5,147 11 9
Accident and Fidelity Fund ..		5,000 0 0
Investment Fluctuation Reserve ..		399,044 18 7
Sinking funds on local body loans ..	1,667 8 8	
Interest accrued thereon	20 4 3	
		1,687 12 11
		£11,055,164 10 5

Assets.	£ s. d.	£ s. d.
Loans on policies		1,240,173 17 3
New Zealand Government securities ..		2,532,861 0 0
Loans to local bodies		1,759,580 6 6
Landed and house property ..		453,057 15 1
Landed and house property (leasehold)		1,029 18 4
Mortgages on property		4,721,757 12 6
Properties acquired by foreclosure ..		38,298 10 7
Overdue premiums on policies in force ..	4,743 16 6	
Outstanding premiums due but not overdue	53,659 2 8	
		58,402 19 2
Overdue interest ..	16,848 11 10	
Outstanding interest due but not overdue	12,800 0 9	
Interest accrued but not due	99,696 8 9	
		129,345 1 4
Sundry debtors		2,219 12 3
Income-tax paid in advance ..		33,000 0 0
Office furniture and fittings ..		3,296 18 10
Cash in hand and on current account		82,140 18 7
		£11,055,164 10 5

W. E. Arnold, Commissioner.
J. W. Macdonald, Secretary.

Government Life Insurance Department,
28th February, 1939.

The Audit Office, having examined the Revenue Account and Balance-sheet, and compared them with the relative books, documents, and securities, hereby certifies them to be in accordance therewith.

J. H. Fowler,
Controller and Auditor-General.

Statement of Business

YEAR 1938.	TOTAL.					*Whole-life and Term Assurances.*			
	No.	Sum assured.	Reversionary Bonuses.	Annual Premiums. *1. Ordinary.* *2. Extra.*	Annuities. *1. Immediate or entered upon.* *2. Deferred.*	No.	1. Sum assured. 2. Deferred Annuity.	Reversionary Bonuses.	Annual Premiums. *1. Ordinary.* *2. Extra.*
POLICIES ISSUED AND DISCON-									
		£	£	£ s. d.	£ s. d.		£	£	£ s. d.
Policies in force at 31st December, 1937	80,959	26,099,449	3,309,687	715,229 2 5 1,577 12 11	34,636 4 6 55,765 0 4	12,743	5,481,088 43,416 p.a.	532,017	127,062 16 9 620 18 3
New business	9,331	3,436,406	..	70,310 13 5 195 0 5	1,539 14 8 7,344 9 0	2,524	1,281,568 5,572 16 0 p.a.	..	16,737 18 2 91 3 1
Bonus allotted ..	..	..	398,855	..	..	..	..	55,016	..
Total.. ..	90,290	29,535,855	3,708,542	785,539 15 10 1,772 13 4	36,175 19 2 63,109 9 4	15,267	6,762,656 48,988 16 0 p.a.	587,033	143,800 14 11 712 1 4
Policies discontinued during 1938	4,135	1,351,075	245,183	40,957 6 8 86 15 1	1,655 11 8 1,618 18 0	636	311,207 1,123 4 0 p.a.	42,527	5,267 3 2 38 11 4
Total policies in force at 31st December, 1938	**86,155**	**28,184,780**	**3,463,359**	**744,582 9 2** **1,685 18 3**	**34,520 7 6** **61,490 11 4**	14,631	6,451,449 47,865 12 0 p.a.	544,506	138,533 11 9 673 10 0
PARTICULARS OF POLICIES DISCON-									
How discontinued.									
By Death	620	175,990	56,543	5,336 18 6 40 19 10	1,899 5 8 ..	275	88,060	34,769	2,457 16 3 29 14 8
Maturity	1,399	408,838	126,225	18,851 8 1 29 9 10	..	..	..	..	..
Surrender	1,019	322,053	47,218	8,934 8 11 9 5 7	.. 720 0 0	116	56,533 648 p.a.	5,522	895 18 7 2 12 6
Change to other Tables	53	25,025	795	186 6 10	..	34	19,259	62	47 11 4
Cancellation ..	197	58,324	303	1,521 17 4 1 14 0	.. 367 4 0	18	6,850 259 4s. p.a.	44	157 17 5 ..
Lapse	847	360,845	14,099	6,126 7 0 5 5 10	−243 14 0 531 14 0	193	140,505 216 p.a.	2,130	1,707 19 7 6 4 2
Total discontinued during year 1938	**4,135**	**1,351,075**	**245,183**	**40,957 6 8** **86 15 1**	**1,655 11 8** **1,618 18 0**	636	311,207 1,123 4s. p.a.	42,527	5,267 3 2 38 11 4
PROGRESS OF BUSINESS OF THE GOVERNMENT LIFE INSURANCE									
Total issued	256,454	74,103,403	8,862,592	2,163,931 11 10 41,231 11 6	212,064 3 2	60,376	21,450,548 52,401 12s. p.a.	2,611,962	527,687 8 11 18,951 12 8
Total void	170,299	45,918,623	5,399,233	1,419,349 2 8 39,545 13 3	116,053 4 4	45,745	14,999,099 4,536 p.a.	2,067,456	389,153 17 2 18,278 2 8
Total in force ..	**86,155**	**28,184,780**	**3,463,359**	**744,582 9 2**	**96,010 18 10**	14,631	6,451,449 47,865 12s. p.a.	544,506	138,533 11 9
Extra Premiums	..	..	..	1,685 18 3	..	..	..	..	673 10 0
				£746,268 7 5					£139,207 1 9

NOTE.—The "ordinary" premium is the premium charged

at End of Year 1938.

ASSURANCES. Endowment Assurances.				Annuity Assurances.				ANNUITIES.			SIMPLE ENDOWMENTS, INVESTMENTS, ETC.		
No.	1. Sum assured. 2. Deferred Annuity.	Reversionary Bonuses.	Annual Premiums. *1. Ordinary.* *2. Extra.*	No.	1. Sum assured. 2. Reversionary Bonuses.	Annuities. *1. Immediate or entered upon.* *2. Deferred.*	Annual Premiums.	No.	Annual Premiums.	Annuities. *1. Immediate or entered upon.* *2. Deferred.*	No.	1. Sum assured. 2. Reversionary Bonuses.	Annual Premiums. *1. Ordinary.* *2. Extra.*

TINUED DURING THE YEAR 1938.

	£	£	£ s. d.		£	£ s. d.	£ s. d.		£ s. d.	£ s. d.		£	£ s. d.
61,594	17,614,136 10,890 p.a.	2,753,786	555,533 4 7 938 8 2	19	4,847 1,647	320 5 2 919 0 4	184 0 0	537	35 15 6	34,315 19 4 540 0 0	6,066	2,999,378 22,237	32,413 5 7 18 6 6
5,613	1,529,916 936 p.a.	..	47,542 19 4 97 4 4	..	..	..	..	56	..	1,539 14 8 835 13 0	1,138	624,922 ..	6,029 15 11 6 13 0
..	..	340,812	..	..	114	..	..	..	..	..	..	2,913	..
67,207	19,144,052 11,826 p.a.	3,094,598	603,076 3 11 1,035 12 6	19	4,847 1,761	320 5 2 919 0 4	184 0 0	593	35 15 6	35,855 14 0 1,375 13 0	7,204	3,624,300 25,150	38,443 1 6 24 19 6
3,136	964,938 252 p.a.	199,666	33,186 7 5 48 0 6	..	.. 451	−243 14 0 243 14 0	76 5 4	48	..	1,899 5 8 ..	315	134,930 2,539	2,427 10 9 0 3 3
64,071	18,239,114 11,574 p.a.	2,894,932	569,889 16 6 987 12 0	19	4,847 1,310	563 19 2 675 6 4	107 14 8	545	35 15 6	33,956 8 4 1,375 13 0	6,889	3,489,370 22,611	36,015 10 9 24 16 3

TINUED DURING THE YEAR 1938.

278	76,230	21,774	2,654 7 11 11 5 2	..	..	..	..	48	..	1,899 5 8	19	11,700	224 14 4
1,335	398,034	123,561	18,089 0 10 29 9 10	.. ..	.. 450	..	..	..	..	..	64	10,804 2,214	762 7 3 ..
815	224,044 72 p.a.	41,695	7,310 1 1 6 9 10	..	.. 1	..	..	..	..	..	88	41,476	728 9 3 0 3 3
17	5,216	733	131 3 2 ..	..	..	..	..	..	..	..	2	550	7 12 4
165	44,274 108 p.a.	259	1,293 6 0 1 14 0	..	..	..	..	..	..	..	14	7,200	70 13 11
526	157,140 72 p.a.	11,644	3,708 8 5 — 0 18 4	..	..	—243 14 0 243 14 0	76 5 4	..	..	..	128	63,200 325	633 13 8 ..
3,136	904,938 252 p.a.	199,666	33,186 7 5 48 0 6	..	.. 451	—243 14 0 243 14 0	76 5 4	48	..	1,899 5 8 ..	315	134,930 2,539	2,427 10 9 0 3 3

DEPARTMENT SINCE DATE OF ESTABLISHMENT TO 31st DECEMBER, 1938.

179,197	47,443,367 13,204 16s. p.a.	6,178,982	1,551,388 10 9 22,231 11 10	1,131	179,200 9,387	60,175 1 10	9,387 16 9	1,576	888 2 2	86,282 13 4	14174	5,030,288 62,261	74,579 13 3 48 7 0
115,126	29,204,253 1630 16s.p.a	3,284,050	981,498 14 3 21,243 19 10	1,112	174,353 8,077	58,935 16 4	9,280 2 1	1,031	852 6 8	50,950 12 0	7,285	1,540,918 39,650	38,564 2 6 23 10 9
64,071	18,239,114 11,574 p.a.	2,894,932	569,889 16 6	19	4,847 1,310	1,239 5 6	107 14 8	545	35 15 6	35,332 1 4	6,889	3,489,370 22,611	36,015 10 9
..	..	..	987 12 0	..	..	..	..	..	..	..	..	..	24 16 3
			£570,877 8 6				£107 14 8		£35 15 6				£36,040 7 0

at the true age; the "extra" the additional premium charged for any reason whatsoever.

W. E. ARNOLD, Commissioner.
S. BECKINGSALE, F.I.A., Actuary.

GOVERNMENT INSURANCE DEPARTMENT.

STATEMENTS

IN CONNECTION WITH THE VALUATION OF LIABILITIES (FOURTH AND FIFTH SCHEDULES)

FOR THE

TRIENNIUM ENDING 31ST DECEMBER, 1938.

Presented to both Houses of the General Assembly pursuant to Section 38 of the Government Life Insurance Act, 1908.

REPORT BY THE ACTUARY

RESPECTING THE

VALUATION OF THE LIABILITIES

UNDER LIFE POLICIES AND ANNUITIES

OF THE

NEW ZEALAND

Government Insurance Department,

In terms of Section 36 of the Government Life Insurance Act, 1908.

FOURTH SCHEDULE.

I.

The date up to which the valuation was made was the 31st December, 1938.

II.

The principles upon which the valuation and distribution of profits were made were as follows:—

(1) *Principles of Valuation.*—In making the valuation no credit whatever has been taken for any loadings or extra premiums, and in no case has there been valued for inclusion among the assets a valuation premium greater than the pure premium derived from the British Offices O^{M} Table with 3 per cent. interest. The liability has been ascertained by taking the difference between the present value of the sums assured (including reversionary bonuses) and the present value of the valuation premiums. Where the original premiums have been reduced by the application of amounts received in consideration of the surrender of former policies the valuation premiums have been reduced by an equal amount. In all cases where an extra premium was payable the policy has been valued at the true age, and a full proportion has been reserved for the unexpired risk for which the extra premium had been paid. Adequate extra reserves have been made for limited-premium policies and the immediate payment of claims in the case of whole-life assurances, and allowance has been made for the actual incidence of the premium income. Endowments have been valued as sums certain payable at the end of their respective terms, 3 per cent. interest being used. Temporary assurances have been valued by reserving the

FOURTH SCHEDULE.

proportion of the premiums corresponding to the unexpired risk. Annuities have been valued by the *a (f)* and *a (m)* Annuity Tables deduced from the mortality of British Annuitants, 1900–1920, using 3 per cent. interest.

Policies have been valued in groups where practicable.

(2) *Principles of Distribution of Surplus.*—The divisible surplus is distributed among the policyholders entitled to participate as a compound reversionary bonus per cent. on sums assured and existing bonuses, the rate of such bonus for each class of assurance being determined as far as practicable by the profit earned. An interim bonus is also paid, at the same rate, in respect of those policies which may become claims before the next distribution of surplus. The profit from favourable mortality in the General Section and the Temperance Section respectively has been estimated and specially divided among the members of the respective sections. The result is that Temperance policies will, on this occasion, receive compound reversionary bonuses at the same rate as General policies which are like them in all other respects.

The divisible surplus has been converted into reversionary bonuses by means of the O^M Table of Mortality with 3 per cent. interest.

III.

The Tables of Mortality used in the Valuation were,—

(1) For Assurances, the O^M (British Offices) Table;

(2) For Annuities, the *a (f)* and *a (m)* Annuity Tables deduced from the mortality of British Annuitants, 1900–1920.

IV.

The rate of interest assumed in the valuation was 3 per cent.

V.

The proportion of the annual premium income reserved as a provision for future expenses and profits is represented by the difference between the premiums actually payable and the valuation premiums, and amounts to 24·4 per cent. of the annual premium income. In addition special provision has been made for future expenses and profits under assurances by limited premiums.

VI.

The Consolidated Revenue Account for the period 1st January, 1936, to 31st December, 1938, is given on page 11.

VII.

1. The liabilities of the Department under life policies and annuities at the date of the valuation, showing the number of policies, the sums assured, and the amount of premiums payable annually under each class of policies, both with and without participation in profits, will be found in detail in the Valuation Summary given on pages 12 and 13.

FOURTH SCHEDULE.

CONSOLIDATED REVENUE ACCOUNT

OF THE

GOVERNMENT INSURANCE DEPARTMENT

FOR THE PERIOD COMMENCING 1ST JANUARY 1936, AND ENDING 31ST DECEMBER, 1938

	£	s.	d.	£	s.	d.
Amount of funds on 1st January 1936				9,578,672	11	7
Renewal premiums				1,895,798	11	1
New premiums				203,144	8	7
Single premiums				187,630	6	5
Consideration for annuities granted ..				124,273	3	10
Interest and rent ..	1,345,247	12	0			
Less property expenses ..	5,954	11	8			
				1,339,293	0	4
				£13,328,812	1	10

	£	s.	d.	£	s.	d.
Death claims under policies—assurance, including bonus additions				633,117	0	0
Endowment assurances matured, including bonus additions				1,175,819	17	5
Endowments matured				36,745	1	0
Premiums returned on endowments ..				1,371	0	2
Bonuses surrendered for cash ..				23,857	5	2
Annuities				100,444	19	7
Surrenders				118,066	17	2
Loans released by surrender				194,686	9	8
Commission, new* ..	155,219	17	0			
Commission, renewal ..	15,909	11	10			
				171,129	8	10
Contribution to Public Service Superannuation Fund				2,141	11	8
Land and income tax				95,022	16	1
Expenses of management—						
Salaries	124,418	5	10			
Extra clerical assistance	1,527	8	2			
Services rendered by Government Actuary ..	3,244	10	2			
Medical fees and expenses	7,375	7	6			
Travelling-expenses	2,257	10	0			
Advertising ..	3,105	14	4			
Printing and stationery	5,210	10	9			
Rent	15,137	18	0			
Postage and telegrams	5,532	5	9			
Exchange	135	13	7			
Audit fees ..	975	0	0			
General expenses ..	17,905	5	1			
				186,825	9	2
Property depreciation				3,834	19	3
Transfer to Investment Fluctuation Reserve Account				10,000	0	0
Amount of funds, 31st December, 1938				10,575,749	6	8
				£13,328,812	1	10

* Including Agents' allowances.

VALUATION BALANCE-SHEET

OF THE

GOVERNMENT INSURANCE DEPARTMENT

As at 31st December, 1938.

Dr.	£	*Cr.*	£
To Net value of liabilities (as per valuation summary)	10,340,316	By Accumulated funds (as per Consolidated Revenue Account)	10,575,749
Surplus	235,433		
	£10,575,749		£10,575,749

FOURTH SCHEDULE.

Summary and Valuation of the Policies of the Government Life Insurance Department as at 31st December, 1938.

Description of Transactions.	Particulars of Policies for Valuation.				Valuation. The bases used are those stated in Section II (1) of the Fourth Schedule.			
	Number of Policies.	Sums assured and Bonuses.	Office Yearly Premiums.	Net Premiums.	Sums assured and Bonuses.	Office Yearly Premiums.	Net Premiums.	Net Liability.
ASSURANCES.								
I.—With Participation in Profits.		£	£	£	£	£	£	£
Whole-life assurances—Uniform premiums	6,472	3,046,234	72,753	54,197	1,749,437	1,088,061	803,266	946,171
,, Limited, single, and commuted premiums	314	200,326	2,847	2,160	123,638	35,215	26,066	97,572
,, Limited, single, and commuted premiums with extra profits	199	117,828	3,116	2,526	70,939	47,209	38,049	32,890
Endowment assurances—Uniform premiums	57,055	18,772,381	517,759	388,558	11,213,793	6,628,019	4,915,288	6,298,505
,, Limited, single, and commuted premiums	626	291,935	5,141	3,846	167,551	51,771	38,287	129,264
,, With extra profits	265	97,968	2,792	2,265	75,719	27,173	22,051	53,668
Double-endowment assurances	5,598	1,832,383	39,740	31,647	1,408,693	255,771	201,363	1,207,330
Deferred assurances	5,389	3,145,890	25,140	14,189	640,044	682,496	469,806	170,238
Joint-life—Whole-life assurances: Uniform premiums	10	10,195	368	277	7,471	3,244	2,429	5,042
Simple endowments	1,351	255,111	9,545	8,047	184,504	82,592	69,554	114,950
Annuity assurances	19	6,157	108	94	3,991	351	304	3,687
Total assurances with profits	77,298	27,776,408	679,309	507,806	15,645,780	8,901,902	6,586,463	9,059,317

SUMMARY AND VALUATION OF THE POLICIES OF THE GOVERNMENT LIFE INSURANCE DEPARTMENT AS AT 31ST DECEMBER, 1938—*continued*.

DESCRIPTION OF TRANSACTIONS.	PARTICULARS OF POLICIES FOR VALUATION.				VALUATION. The bases used are those stated in Section II (1) of the Fourth Schedule.			
	Number of Policies.	Sums assured and Bonuses.	Office Yearly Premiums.	Net Premiums.	Sums assured and Bonuses.	Office Yearly Premiums.	Net Premiums.	Net Liability.
II.—Without Participation in Profits.		£	£	£	£	£	£	£
Whole-life assurances—Uniform premiums	4,455	1,914,275	54,387	47,964	1,159,019	654,010	575,970	583,049
,, Limited, single, and commuted premiums	146	129,130	2,607	2,365	66,832	31,889	29,038	37,794
Endowment assurances—Uniform premiums..	527	139,378	3,793	3,319	105,074	26,263	23,179	81,895
Deferred assurances	139	41,144	605	530	20,104	9,930	8,691	11,413
Joint-life—Whole-life assurances	3	1,217	29	26	697	468	426	271
Temporary assurances	3,032	1,576,751	12	..	80,319	..	..	80,319
Sinking-fund assurances	10	69,836	726	653	24,695	14,624	13,127	11,568
Total assurances without profits	8,312	3,871,731	62,159	54,857	1,456,740	737,184	650,431	806,309
Reserve for prepaid loading, under average lives, &c.	..	..	..	..	113,668	..	..	113,668
Total assurances	85,610	31,648,139	741,468	562,663	17,216,188	9,639,086	7,236,894	9,979,294
ANNUITIES.								
Immediate	515	34,341	..	..	333,333	..	..	333,333
Deferred	29	2,050	36	33	16,858	346	316	16,542
*Contingent	..	59,440	3,078	..	10,387	..	..	10,387
Annuity certain	1	180	..	..	760	..	..	760
Total annuities	545	96,011	3,114	33	361,338	346	316	361,022
Total of results	86,155	31,648,139 and £96,011 p.a.	744,582	562,696	17,577,526	9,639,432	7,237,210	10,340,316

* These annuities are part of family income assurance contracts—the basic assurances in each case have been included under their respective classes above.

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 H^M Table of Mortality, with interest at 4½ per cent.

S. BECKINGSALE, F.I.A.,
Actuary.

REPORT

BY THE

Government Insurance Commissioner,

In terms of Section 37 of the Government Life Insurance Act, 1908.

FIFTH SCHEDULE.

STATEMENT OF THE LIFE ASSURANCE AND ANNUITY BUSINESS OF THE GOVERNMENT INSURANCE DEPARTMENT ON THE 31ST DECEMBER, 1938.

Question 1.—The published table or tables of premiums which are in use at the date above mentioned.

Answer.—The tables of premiums in use are contained in Appendix No. 1.

Question 2.—The total amount assured on lives for the whole term of life which are in existence at the date above mentioned, distinguishing the portions assured with and without profits, stating separately the total reversionary bonuses, and specifying the sums assured for each year of life, from the youngest to the oldest ages.

Question 3.—The amount of premiums receivable annually for each year of life, after deducting the abatements made by the application of bonuses in respect of the respective assurances mentioned under heading No. 2, distinguishing ordinary from extra premiums.

Answer to Questions 2 *and* 3.—This information is contained in Appendices Nos. 2, 3, 4, 5, and 6.

Question 4.—The total amount assured under classes of assurance business other than for the whole term of life, distinguishing the sums assured under each class, and stating separately the amount assured, with and without profits, and the total amount of reversionary bonuses.

FIFTH SCHEDULE.

Question 5.—The amount of premiums receivable annually in respect of each such special class of assurances mentioned under heading No. 4, distinguishing ordinary from extra premiums.

Question 6.—The total amount of premiums which has been received from the commencement upon all policies under each special class mentioned under heading No. 4, which are in force at the date above mentioned.

Answers to Questions 4, 5, *and* 6 are contained in the following table:—

Class of Assurance.	Number of Policies.	Sums assured.	Reversionary Bonuses.	Annual Premiums. Ordinary.	Annual Premiums. Extra.
WITH PROFITS.		£	£ s.	£ s. d.	£ s. d.
Endowment assurances	57,681	16,423,285	2,641,032 7	522,901 18 9	976 19 10
Double-endowment assurances	5,598	1,603,248	229,134 16	39,739 8 0	6 0 5
Endowment assurances with extra profits ..	265	73,203	24,764 19	2,792 1 2	0 5 0
Deferred assurances	5,389	3,145,890	..	25,139 10 0	22 18 9
Joint-life assurances	10	7,950	2,245 7	367 16 9	2 10 0
Annuity assurances*	19	4,847	1,310 3	107 14 8	..
Endowments with return of premiums if death occur during term	1,351	232,500	22,610 18	9,544 19 7	1 17 6
WITHOUT PROFITS.					
Endowment assurances	527	139,378	..	3,792 13 6	4 6 9
Joint-life assurances	3	1,217	..	29 5 0	..
Deferred assurances	139	41,144	..	604 12 8	..
Temporary assurances	3,032	1,576,751	..	11 19 5	..
Sinking-fund assurances	10	69,836	..	726 8 6	..
Total	**74,024**	**£23,319,249**	**£2,921,098 10**	**£605,758 8 0**	**£1,014 18 3**

The contingent annuities issued as part of "Family Income" assurances have been shown in the answer to Question 8. The basic assurances have been included in their respective classes above.

* The annuity portion of these contracts has been shown in the answers to Questions 7 and 8.

FIFTH SCHEDULE.

Question 7.—The total amount of immediate annuities on lives, distinguishing the amounts for each year of life.

ANSWER TO QUESTION 7.

TOTAL AMOUNT OF IMMEDIATE ANNUITIES ON LIVES, DISTINGUISHING THE SEX, AND THE AMOUNTS FOR EACH YEAR OF LIFE.

Age attained.	Males.		Females.	
	Number of Policies.	Amount of Annuities.	Number of Policies.	Amount of Annuities.
		£ s. d.		£ s. d.
36	1	23 11 8	..	..
40	..	..	1	104 0 0
44	1	48 0 0	..	..
47	..	..	1	68 8 0
48	..	..	2	59 3 4
50	1	26 2 8	1	306 13 4
51	..	..	3	201 4 0
52	1	150 0 0	1	41 4 6
53	2	153 0 0	4	186 5 0
54	..	..	2	148 5 0
55	1	169 4 0	3	200 15 8
56	2	89 13 0	6	268 13 8
57	1	75 0 0	5	410 3 8
58	5	475 12 4	3	139 3 8
59	4	304 14 8	8	658 8 8
60	12	1,316 15 4	11	554 11 8
61	5	654 7 8	10	325 6 8
62	8	342 1 10	7	333 17 0
63	5	490 7 4	6	142 1 4
64	8	577 4 10	3	168 8 8
65	6	383 12 4	11	475 10 0
66	11	643 5 0	11	663 5 0
67	24	1,533 16 8	9	521 11 0
68	7	889 9 0	5	208 8 8
69	14	724 3 8	7	332 1 8
70	13	1,211 10 8	16	1,005 14 2
71	7	475 17 8	10	399 14 2
72	11	801 13 6	4	109 13 4
73	18	654 4 8	10	837 1 4
74	11	829 10 4	2	203 0 8
75	6	317 19 10	4	100 0 0
76	2	169 17 4	4	132 17 2
77	15	2,111 12 4	8	643 0 4
78	4	143 19 0	5	147 8 8
79	14	604 4 6	3	52 8 4
80	12	511 17 6	6	208 7 8
81	8	427 18 0	7	525 6 4
82	3	105 11 8	7	445 13 4
83	7	506 13 4	2	100 11 8
84	4	256 16 0	..	..
85	1	108 3 0	4	85 1 8
86	1	148 3 4	2	135 11 4
87	3	309 10 8	2	150 19 0
89	1	80 6 8	..	..
90	..	..	7	755 19 0
91	..	..	2	99 2 8
93	..	..	1	34 11 8
95	..	..	1	30 8 0
Totals	**260**	**£18,845 12 0**	**227**	**£12,819 0 8**

Age attained.	Joint and Survivorship.		Amount of Annuity.
	Male.	Female.	
			£ s. d.
59–57	2	2	87 14 8
63–58	1	1	68 12 6
63–62	1	1	140 0 0
65–61	..	4	102 18 8
66–65	1	1	21 6 0
66–68	2	2	181 5 0
67–69	1	1	100 0 0
68–62	3	3	251 11 0
68–66	1	1	199 15 0
69–70	1	1	190 3 4
70–73	3	3	165 3 4
72–67	1	1	118 0 0
74–70	..	2	100 0 0
74–75	1	1	281 0 0
75–67	1	1	23 16 0
76–68	1	1	7 14 0
77–52	2	2	78 12 8
78–80	1	1	100 0 0
79–75	1	1	10 0 0
79–76	1	1	400 0 0
Totals	**25**	**31**	**£2,675 12 2**

FIFTH SCHEDULE.

Question 8.—The amount of all annuities other than those specified under heading No. 7, distinguishing the amount of annuities payable under each class, the amount of premiums annually receivable, and the amount of consideration-money received in respect of each such class, and the total amount of premiums received from the commencement upon all deferred annuities.

ANSWER TO QUESTION 8.

THE AMOUNTS OF ALL ANNUITIES OTHER THAN THOSE SPECIFIED UNDER HEADING NO. 7.

Class of Annuity.	Number of Policies.	Amount of Annuities.	Annual Premiums.	Single Premiums.	Total Premiums received to 31st December, 1938.
		£ s. d.	£ s. d.		
Deferred (premiums returnable) ..	27	1,195 13 0	21 15 6	Not calculated	Not calculated.
Deferred (premiums not returnable)	2	180 0 0	14 0 0		
Deferred (annuity assurances)* ..	..	675 6 4	..		
Contingent†	..	59,439 12 0	3,077 15 11		
Annuity certain	1	180 2 8	..		
Totals	**30**	**£61,670 14 0**	**£3,113 11 5**	..	..

* The number of policies and the premiums for these classes are included in the answers to Questions 4, 5, and 6.

† The number of policies and the details of the basic assurances are included in the schedules where the basic assurances are listed.

Question 9.—The average rate of interest at which the funds of the Department were invested at the close of each year during the period since the last investigation.

Answer.—The gross rate of interest, and the net effective rate of interest after deducting land and income tax, credited to the funds of the Department for each year of the triennium, were as follows:—

	Gross.	Net.
	£ s. d.	£ s. d.
1936	4 11 0	4 5 7
1937	4 9 6	4 2 4
1938	4 10 10	4 3 1

Question 10.—A table of minimum values, if any, allowed for the surrender of policies for the whole term of life, and for endowments and endowment assurances; or a statement of the method pursued in calculating such surrender values, with instances of its application to policies of different standing, and taken out at various interval ages, from the youngest to the eldest.

Answer.—The minimum surrender values at present ruling for whole-life and endowment assurance policies issued at the present rates of premium are given in Appendix No. 7. In the case of simple endowments, with return of all premiums at death of nominee, the premiums are returned without interest, as surrender value. Other endowments and children's deferred assurances are treated specially.

FIFTH SCHEDULE.

Question 11.—A statement to be furnished of the manner in which policies on unhealthy lives are dealt with.

Answer.—When proposals are made on lives which, although not of such inferior quality as to merit total rejection, are considered not to reach the requisite standard for insurance at the ordinary rates of premium, such proposals are accepted either at an increased premium or subject to a contingent debt.

The true age is taken as the basis of surrender calculations.

The Appendices alluded to above have been compiled under the immediate supervision of Mr. S. BECKINGSALE.

W. E. ARNOLD,
Government Insurance Commissioner.

FIFTH SCHEDULE.

Appendix No. 1.

THE PUBLISHED TABLES OF PREMIUMS

Which were in Use on the 31st December, 1938.

Class of Assurance, with Participation in Profits.	Age 10. £ s. d.	Age 15. £ s. d.	Age 20. £ s. d.	Age 25. £ s. d.	Age 30. £ s. d.	Age 35. £ s. d.	Age 40. £ s. d.	Age 45. £ s. d.	Age 50. £ s. d.	Age 55. £ s. d.	Age 60. £ s. d.
Whole-life Assurance, with Premiums ceasing at the Policy Anniversary nearest to age 80. Annual Premiums to secure £100, payable at death only—Table 21.	1 14 7	1 18 7	2 3 6	2 8 4	2 14 6	3 2 0	3 11 6	4 4 0	5 0 5	6 2 11	7 14 9

NOTE.—In addition to participating in ordinary profits, a special reversionary bonus of 20s. per cent. per annum on the sum assured will be allotted in this table.

Age Nearest Birthday.

Endowment Assurance.—To secure £100, payable on the Policy Anniversary nearest to Age 80, or at Death, if prior.	Table		Age 10.	Age 15.	Age 20.	Age 25.	Age 30.	Age 35.	Age 40.	Age 45.	Age 50.	Age 55.	Age 60.
	A	Annual premiums during the whole term	1 7 9	1 11 3	1 15 7	1 19 11	2 5 5	2 12 4	3 1 3	3 13 2	4 9 2	5 11 5	7 3 7
	B s	Single payments ..	27 11 0	30 7 0	33 12 0	36 10 0	39 19 0	43 16 0	48 2 0	53 1 0	58 10 0	64 9 0	70 16 0
		Annual premiums.—											
	B 10	Limited to 10 years	3 15 0	4 1 8	4 9 10	4 17 0	5 5 4	5 15 0	6 6 1	6 19 4	7 15 2	8 14 6	9 19 4
	B 15	" 15 "	2 14 8	2 19 9	3 5 11	3 11 3	3 17 7	4 5 0	4 13 9	5 4 6	5 17 10	6 15 3	7 18 11
	B 20	" 20 "	2 4 10	2 9 1	2 14 2	2 18 9	3 4 2	3 10 7	3 18 5	4 8 4	5 1 2	5 18 8	..
	B 25	" 25 "	1 19 1	2 2 11	2 7 6	2 11 7	2 16 7	3 2 7	3 10 0	3 19 10	4 13 0	..	..
	B 30	" 30 "	1 15 5	1 19 0	2 3 3	2 7 1	2 11 10	2 17 9	3 5 3	3 15 4	..	..	..
	B 35	" 35 "	1 13 0	1 16 4	2 0 5	2 4 2	2 8 11	2 14 10	3 2 7	..	..	..	..

Endowment Assurance.—To secure £100 at the End of the Term indicated, or at Death, if prior.	Table	Annual premiums.	Age 10.	Age 15.	Age 20.	Age 25.	Age 30.	Age 35.	Age 40.	Age 45.	Age 50.	Age 55.	Age 60.
With Ordinary Profits.	C	Term 10 years ..	9 8 0	9 9 1	9 11 6	9 12 0	9 13 3	9 14 8	9 16 5	9 19 8	10 4 5	10 12 3	11 5 2
		" 15 " ..	5 19 3	6 0 6	6 2 8	6 3 5	6 4 10	6 6 6	6 8 11	6 13 1	6 19 4	7 9 7	8 6 1
		" 20 " ..	4 5 9	4 7 1	4 9 1	4 10 1	4 11 9	4 13 11	4 17 0	5 2 2	5 10 3	6 3 0	..
		" 25 " ..	3 6 3	3 7 8	3 9 9	3 10 11	3 12 11	3 15 7	3 19 6	4 6 0	4 15 10	..	..
		" 30 " ..	2 13 10	2 15 5	2 17 7	2 19 0	3 1 4	3 4 7	3 9 7	3 17 4	..	..	..
		" 35 " ..	2 5 5	2 7 2	2 9 5	2 11 2	2 14 0	2 18 1	3 4 0	..	..	..	..
		" 40 " ..	1 19 7	2 1 5	2 3 11	2 6 1	2 9 6	2 14 3	..	..	..	..	..
		" 45 " ..	1 15 5	1 17 5	2 0 3	2 2 10	2 6 10	..	..	..	..	..	..
		" 50 " ..	1 12 6	1 14 9	1 17 10	2 0 10	..	..	..	..	..	..	..
		" 55 " ..	1 10 5	1 12 11	1 16 4	..	..	..	..	..	..	..	..
		" 60 " ..	1 9 1	1 11 10	..	..	..	..	..	..	..	..	..
		" 65 " ..	1 8 3	..	..	..	..	..	..	..	..	..	..
With Extra Profits.	2 C	Term 25 years ..	3 18 10	4 0 4	4 2 5	4 3 8	4 5 8	4 8 5	4 12 6	4 19 2	5 9 4	..	..
		" 30 " ..	3 5 4	3 7 0	3 9 3	3 10 8	3 13 2	3 16 6	4 1 9	4 9 10	..	..	..

NOTE.—In addition to participating in ordinary profits, a special reversionary bonus of 20s. per cent. per annum on the sum assured will be allotted in this table.

Joint Life Assurance.—To secure £100, payable on the Failure of Either Life. — E

Annual Premiums. Age of Younger Life (nearest Birthday).	Difference between Age of Elder and Younger Life. 0 Years. £ s. d.	2 Years. £ s. d.	4 Years. £ s. d.	6 Years. £ s. d.	8 Years. £ s. d.	10 Years. £ s. d.
20	2 14 11	2 16 1	2 17 4	2 18 10	3 0 7	3 2 6
25	3 0 11	3 2 5	3 4 2	3 6 0	3 8 2	3 10 7
30	3 8 11	3 10 9	3 12 11	3 15 4	3 18 1	4 1 2
35	3 18 10	4 1 3	4 4 0	4 7 1	4 10 10	4 15 2
40	4 11 7	4 14 9	4 18 6	5 2 11	5 7 10	5 13 6
45	5 9 0	5 13 5	5 18 5	6 4 2	6 10 11	6 18 9
50	6 12 5	6 18 3	7 5 2	7 13 3	8 2 8	8 13 7

Double Endowment Assurance—G.

For the assurance of £100 in the event of death during the term, and an endowment of £200 in the event of the life assured surviving the term.

Term.	Annual Premium. £ s. d.
10 years	18 0 0
15 "	11 7 0
20 "	8 0 0
25 "	6 0 0
30 "	4 15 0
35 "	3 17 0

FIFTH SCHEDULE.

Appendix No. 1.

THE PUBLISHED TABLES OF PREMIUMS

Which were in Use on the 31st December, 1938.

Class of Assurance without Participation in Profits.

Age Nearest Birthday.	Whole-life Assurance. Premium required to secure £100, payable at Death only. Single Premium. £ s. d.	Annual Premium. £ s. d.	Premium Limited to 10 Years. £ s. d.	Premium Limited to 20 Years. £ s. d.	Endowment Assurance. Annual Premium to secure £100, payable at End of Term indicated, or at Death if prior. Term 25 Years. £ s. d.	Term 30 Years. £ s. d.	Temporary Assurance. Premium to be Paid for assuring £100 on a Single Life. Annual Premium for 1 Year. £ s. d.	Annual Premium for 3 Years. £ s. d.	Annual Premium for 5 Years. £ s. d.
10	23 2 0	1 2 1	2 15 9	1 14 1	2 17 3	2 5 5			
15	24 11 0	1 4 0	2 19 4	1 16 4	2 17 8	2 5 11	1 0 0	1 0 6	1 1 0
20	26 8 0	1 6 6	3 3 10	1 19 2	2 18 3	2 6 9			
25	28 14 0	1 9 10	3 9 6	2 2 9	2 19 2	2 7 10	1 0 8	1 0 11	1 1 4
30	31 16 0	1 14 5	3 17 2	2 7 9	3 0 7	2 9 9	1 3 0	1 3 5	1 3 10
35	35 7 0	2 0 3	4 6 1	2 13 8	3 2 9	2 12 7	1 5 3	1 6 0	1 6 7
40	39 8 0	2 7 9	4 16 6	3 0 10	3 6 5	..	1 8 6	1 8 11	1 9 7
45	44 1 0	2 17 6	5 8 10	3 9 10	..	..	1 12 6	1 14 1	1 15 7
50	49 3 0	3 10 2	6 3 1	4 1 0	..	..	2 0 6	2 2 1	2 4 0
55	54 16 0	4 7 0	7 0 1	4 15 9	..	..	..	..	..
60	60 19 0	5 9 8	8 0 10	5 15 9	..	..	..	..	..

Immediate Annuities.

Showing the Sum to be paid for an Immediate Annuity of £10, payable by Half-yearly Instalments, with a Proportionate Payment to the Date of Death.

Age Last Birthday.	Male. £ s. d.	Female. £ s. d.
40	168 5 0	177 19 0
41	166 5 0	176 5 0
42	164 2 0	174 10 0
43	161 18 0	172 13 0
44	159 13 0	170 14 0
45	157 6 0	168 14 0
46	154 16 0	166 13 0
47	152 5 0	164 10 0
48	149 11 0	162 6 0
49	146 16 0	160 0 0
50	143 18 0	157 12 0
51	141 0 0	155 3 0
52	138 0 0	152 13 0
53	135 0 0	150 1 0
54	131 19 0	147 7 0
55	128 18 0	144 11 0
56	125 16 0	141 13 0
57	122 14 0	138 14 0
58	119 11 0	135 14 0
59	116 8 0	132 12 0
60	113 4 0	129 9 0
61	110 1 0	126 4 0
62	106 17 0	122 18 0
63	103 12 0	119 10 0
64	100 8 0	116 1 0
65	97 4 0	112 11 0
66	93 19 0	109 1 0
67	90 14 0	105 10 0
68	87 10 0	101 18 0
69	84 5 0	98 5 0
70	81 0 0	94 11 0
71	77 16 0	90 17 0
72	74 12 0	87 4 0
73	71 8 0	83 11 0
74	68 4 0	79 18 0
75	65 2 0	76 5 0
76	62 3 0	72 13 0
77	59 6 0	69 2 0
78	56 12 0	65 13 0
79	54 0 0	62 5 0
80	51 11 0	58 18 0

Deferred Assurances for Children.

Yearly Premiums for a Deferred Endowment Assurance of £1,000, with Profits after Age 21.

The Sum assured is payable if the Child die after Age 21, or on his Survivance of the Policy Anniversary nearest to Age 80. All Premiums will be returned with 4 per cent. compound interest if Death occur before Age 21. Valuable alternative Options exercisable by the Nominee at Age 21 are guaranteed on the Policy.

Age of Child, Nearest Birthday.	TABLE AVI. Premium payable during Term of Policy. Yearly. £ s. d.	TABLE AVIP.—Age of Parent or Guardian at Nearest Birthday. Premium payable during Term of Policy, but if Parent or Guardian dies before the Child attains Age 21 the Premium will cease until Age 21. Under 30. Yearly. £ s. d.	30–39. Yearly. £ s. d.	40–44. Yearly. £ s. d.	45–49. Yearly. £ s. d.	Age of Child, Nearest Birthday.
0	6 15 10	7 3 4	7 6 8	7 10 10	7 15 10	0
1	7 1 8	7 9 2	7 12 6	7 16 8	8 1 8	1
2	7 7 6	7 15 0	7 18 4	8 2 6	8 7 6	2
3	7 14 2	8 1 8	8 5 0	8 8 4	8 13 4	3
4	8 1 8	8 8 4	8 11 8	8 15 0	8 19 2	4
5	8 9 2	8 15 10	8 18 4	9 1 8	9 5 10	5
6	8 17 6	9 3 4	9 5 10	9 8 4	9 12 6	6
7	9 5 10	9 11 8	9 13 4	9 15 10	9 19 2	7
8	9 14 2	10 0 0	10 1 8	10 3 4	10 6 8	8
9	10 3 4	10 8 4	10 10 0	10 11 8	10 14 2	9
10*	10 12 6	10 17 6	10 19 2	11 0 0	11 2 6	10

* Children aged 10 (last birthday) cannot be accepted.

FIFTH SCHEDULE.

Appendix No. 2.

ASSURANCES FOR THE WHOLE TERM OF LIFE WITH WHOLE-LIFE PREMIUMS, WITH PROFITS,

IN FORCE AT 31ST DECEMBER, 1938.

Age attained.	Number of Policies.	Amount assured.	Bonus Additions.	Office Annual Premiums. Ordinary.	Office Annual Premiums. Extra.	Age attained.
		£	£ s.	£ s. d.	£ s. d.	
10	1	2,000	..	27 10 0	..	10
11	2	500	4 0	7 3 0	..	11
12	3	1,500	25 4	21 7 6	..	12
13	10	4,650	163 19	66 3 4	..	13
14	9	4,900	124 0	71 16 7	..	14
15	6	3,200	32 10	49 18 4	..	15
16	20	11,105	221 8	173 16 5	..	16
17	29	13,023	175 4	208 14 6	..	17
18	29	18,061	355 9	299 0 6	..	18
19	21	8,950	83 8	155 0 9	..	19
20	26	17,105	457 18	301 19 8	..	20
21	43	19,064	267 14	342 19 10	6 7 6	21
22	80	40,088	734 12	728 5 0	5 4 2	22
23	69	28,750	424 14	539 6 5	4 6 8	23
24	77	29,437	417 19	568 12 2	5 0 0	24
25	104	45,832	870 10	898 4 11	..	25
26	121	47,257	834 10	948 4 6	13 18 0	26
27	114	48,128	847 1	991 12 10	3 10 0	27
28	123	52,668	1,210 1	1,101 13 1	5 10 0	28
29	130	54,022	1,145 5	1,164 7 3	0 9 4	29
30	147	76,174	1,706 15	1,669 6 8	22 5 6	30
31	172	75,229	2,351 5	1,691 13 8	7 19 1	31
32	149	66,897	1,792 0	1,540 1 11	6 7 7	32
33	121	50,250	1,694 8	1,181 2 6	4 8 0	33
34	148	71,100	1,805 17	1,737 13 6	2 18 0	34
35	135	53,982	1,351 3	1,359 7 7	2 0 0	35
36	135	61,197	2,155 0	1,563 17 0	16 10 0	36
37	143	72,327	2,149 8	1,910 4 9	3 12 0	37
38	150	68,378	2,401 1	1,825 0 10	13 0 0	38
39	138	65,964	2,513 1	1,816 18 2	1 5 0	39
40	125	54,328	1,966 12	1,554 10 5	6 10 0	40
41	130	59,208	2,492 17	1,726 1 5	..	41
42	100	43,382	1,782 1	1,307 9 1	1 10 0	42
43	106	46,735	1,669 8	1,463 7 8	2 0 0	43
44	94	39,324	1,376 18	1,286 8 1	1 0 0	44
45	114	55,727	2,352 18	1,850 18 1	10 0 0	45
46	133	63,374	3,477 13	2,150 5 11	5 0 0	46
47	105	47,168	2,144 3	1,674 16 7	2 5 0	47
48	100	43,491	2,057 14	1,603 7 4	5 10 0	48
49	108	46,582	2,404 8	1,760 2 6	5 5 0	49
50	119	44,579	2,686 11	1,732 1 3	11 0 0	50
51	88	35,361	1,800 2	1,420 5 8	..	51
52	81	37,875	3,201 15	1,484 15 2	0 10 10	52
53	81	37,601	2,562 11	1,596 16 10	25 0 0	53
54	72	32,765	2,327 4	1,456 15 11	11 1 8	54
55	71	27,480	1,751 11	1,276 17 6	5 10 0	55
56	58	38,420	4,057 5	1,754 2 4	63 5 2	56
57	62	28,133	3,657 15	1,265 11 8	2 7 6	57
58	63	18,331	2,872 2	843 7 5	1 5 0	58
59	55	17,255	3,350 3	768 19 4	..	59
60	55	23,700	5,210 17	1,120 6 2	..	60
61	59	18,060	6,166 13	710 5 10	1 0 0	61
62	59	34,175	8,105 16	1,714 10 11	4 10 0	62
63	76	33,500	11,756 16	1,466 7 0	2 15 0	63
64	61	16,925	9,008 16	455 16 7	3 9 0	64
65	91	20,539	11,911 6	543 17 1	2 15 0	65
66	88	23,281	13,611 16	640 15 6	5 17 8	66
67	83	26,441	14,658 3	790 1 3	7 10 0	67
68	111	27,419	18,892 19	541 8 0	0 15 0	68
69	87	27,741	16,094 13	806 14 7	1 15 0	69
70	112	30,575	20,016 2	786 0 1	6 13 0	70
71	84	24,620	17,424 1	492 9 1	2 5 0	71
72	120	36,100	25,248 0	728 3 6	5 2 6	72
73	113	32,989	23,990 13	682 4 2	10 6 3	73
74	107	27,882	19,841 11	600 7 1	10 3 10	74
75	80	23,244	16,823 1	491 8 11	1 10 0	75
76	98	27,892	19,279 9	617 19 9	4 16 6	76
77	81	23,292	16,991 6	526 3 6	2 16 0	77
78	72	23,645	15,290 11	695 8 11	7 0 2	78
79	66	20,220	14,362 15	448 7 8	0 19 8	79
80	82	23,075	16,860 15	531 13 2	16 13 2	80
81	74	19,278	12,804 12	456 16 7	8 18 0	81
82	66	16,437	12,157 0	380 10 3	4 15 0	82
83	48	15,076	10,011 2	352 5 1	2 6 8	83
84	42	10,420	7,817 8	250 4 2	2 8 0	84
85	23	6,700	5,286 11	169 8 0	3 10 4	85
86	28	9,500	5,567 7	226 9 7	10 12 11	86
87	29	7,700	5,776 13	184 13 10	1 0 4	87
88	14	3,184	2,445 15	85 16 9	..	88
89	20	5,750	4,859 4	149 0 3	3 7 6	89
90	7	1,506	1‘370 3	38 14 8	..	90
91	4	900	666 0	21 18 4	..	91
92	5	2,300	1,881 15	66 13 10	..	92
93	6	1,400	1,210 18	36 13 4	..	93
94	1	200	3 10	5 16 8	..	94
Totals	**6,472**	**£2,574,523**	**£471,710 12**	**£72,753 13 5**	**£419 2 6**	

FIFTH SCHEDULE.

Appendix No. 3.

ASSURANCES FOR THE WHOLE TERM OF LIFE BY LIMITED PAYMENTS, WITH EXTRA PROFITS,

In force at 31st December, 1938.

Age attained.	Year of Expiry of Premium.	Number of Policies.	Amount assured.	Bonus Additions.	Office Annual Premiums. Ordinary.	Office Annual Premiums. Extra.
			£	£ s.	£ s. d.	£ s. d.
13	2005	1	500	45 18	8 12 11	..
17	2001	1	300	..	6 5 0	..
18	2000	1	200	..	4 3 4	..
21	1997	1	200	..	4 8 10	..
22	1996	1	1,000	..	22 13 4	..
23	1995	1	250	68 4	4 16 8	..
24	1994	2	800	36 12	18 13 0	..
26	1992	2	400	24 11	9 13 6	..
27	1991	6	3,000	595 15	67 3 2	2 14 2
28	1990	2	1,300	402 15	27 17 8	..
29	1989	6	1,400	347 15	31 5 6	..
30	1988	7	2,550	686 8	58 19 1	..
31	1987	3	700	179 14	16 17 3	..
32	1986	5	2,600	519 9	66 11 9	1 13 0
33	1985	5	1,150	301 13	28 2 8	..
34	1984	14	6,800	1,895 13	169 13 8	..
35	1983	7	2,450	771 16	60 14 1	..
36	1982	6	2,750	855 6	71 0 10	..
37	1981	10	5,600	1,727 12	143 4 3	..
38	1980	6	2,250	464 14	60 10 6	..
39	1979	13	4,984	1,284 12	139 3 1	..
40	1978	1	300	60 9	9 9 0	..
41	1977	12	5,600	1,629 3	159 9 2	1 11 6
42	1976	8	4,100	973 2	131 19 1	..
43	1975	2	800	72 7	27 3 0	..
44	1974	3	900	312 5	26 19 3	..
45	1973	10	3,700	743 8	122 10 8	1 0 8
46	1972	2	700	162 9	24 3 8	..
47	1971	5	1,600	385 8	55 15 1	..
48	1970	6	1,950	356 5	70 18 4	..
49	1969	5	2,400	675 0	85 19 6	0 10 0
50	1968	8	4,611	1,599 19	158 12 1	..
51	1967	3	1,800	566 13	67 19 8	..
52	1966	3	1,500	382 9	55 15 10	..
53	1965	3	1,500	450 4	60 3 1	..
54	1964	8	8,000	2,314 12	338 15 2	..
55	1963	4	2,200	626 17	98 19 10	5 3 4
56	1962	3	850	253 7	38 1 6	..
57	1961	4	2,200	449 6	102 18 2	..
59	1959	2	1,300	372 8	66 10 0	..
60	1958	1	200	75 18	9 11 4	..
61	1957	1	2,000	508 19	115 16 8	..
62	1956	1	500	145 8	28 5 0	..
63	1955	1	500	214 12	25 2 1	..
66	1952	2	2,000	721 10	123 8 9	..
73	1945	1	1,150	22 6	91 4 8	..
Totals	..	**199**	**£93,545**	**£24,282 11**	**£3,116 9 11**	**£12 12 8**

FIFTH SCHEDULE.

Appendix No. 4.

ASSURANCES FOR THE WHOLE TERM OF LIFE BY LIMITED AND SINGLE PREMIUMS, WITH PROFITS.

IN FORCE AT 31ST DECEMBER, 1938.

Age attained.	Number.	Sum assured.	Reversionary Bonuses.	Year of Expiry of Premium.	Average Age attained.	Ordinary Premium.	Extra Premium.
		£	£ s.			£ s. d.	
11	2	1,500	30 0	..	..	..	..
16	1	10,000	200 0	..	..	..	..
17	3	10,400	204 0	..	..	..	..
18	1	200	4 0	..	..	..	..
19	4	1,300	10 0	..	..	..	..
20	1	300	4 10	..	..	..	..
21	1	10,000	200 0	..	..	..	..
22	1	300	3 0	..	..	..	..
23	1	300	6 0	..	..	..	..
24	4	1,800	38 11	..	..	..	..
25	5	1,500	34 2	..	..	..	..
26	4	1,700	12 1	..	..	..	..
27	11	4,030	59 3	..	..	..	..
28	7	2,950	17 16	..	..	..	..
29	10	3,150	87 1	..	..	..	..
30	5	1,600	36 15	1939	59	3 14 8	..
31	7	2,207	113 18	1942	72	576 13 4	..
32	5	1,550	20 11	1943	58	79 14 2	..
33	7	3,300	51 9	1944	47	13 12 0	..
34	8	3,350	33 8	1946	56	8 11 0	0 10 0
35	6	2,350	57 17	1948	54	74 11 8	..
36	1	200	8 2	1951	50	107 16 0	..
37	2	400	23 17	1952	55	56 3 9	..
38	1	500	5 0	1953	52	30 18 6	..
39	7	4,300	124 4	1955	44	116 7 8	..
40	2	250	17 15	1957	31	189 2 2	0 19 2
41	3	1,200	33 15	1958	42	71 2 7	..
42	5	4,845	14 1	1959	39	209 3 1	..
44	2	1,100	40 8	1961	37	12 0 6	..
45	3	2,400	56 5	1962	38	16 15 0	..
46	2	1,112	42 13	1963	34	102 2 0	..
47	1	200	14 4	1964	32	52 13 0	..
48	1	400	24 9	1965	31	191 3 10	..
49	4	1,500	70 7	1966	36	5 14 4	..
50	4	1,125	55 8	1967	23	312 12 10	..
51	2	1,038	10 15	1969	29	112 7 7	..
52	2	600	40 9	1971	18	229 18 6	..
53	2	549	11 0	1972	16	188 12 1	..
54	4	3,041	50 6	1974	19	25 16 4	..
55	6	2,239	131 17	1976	20	6 0 0	..
56	2	406	8 0	1980	18	3 10 4	..
57	2	1,020	107 4	..	..	..	..
59	2	950	616 1	..	..	..	..
60	3	1,525	120 8	..	..	..	..
61	1	200	137 3	..	..	..	..
62	3	245	169 12	..	..	..	..
63	4	1,953	916 10	..	..	..	..
64	2	1,500	1,269 2	..	..	..	..
65	6	2,187	1,055 13	..	..	..	..
66	4	1,114	762 10	..	..	..	..
67	4	807	866 15	..	..	..	..
68	7	4,410	1,851 1	..	..	..	..
69	10	4,561	1,206 19	..	..	..	..
70	12	3,718	3,308 1	..	..	..	..
71	7	1,170	636 15	..	..	..	..
72	12	9,354	4,241 11	..	..	..	..
73	10	1,581	1,492 14	..	..	..	..
74	10	4,635	4,063 17	..	..	..	..
75	7	1,791	1,808 6	..	..	..	..
76	8	2,897	2,722 3	..	..	..	..
77	4	1,370	1,153 17	..	..	..	..
78	7	1,893	1,833 18	..	..	..	..
79	5	703	837 0	..	..	..	..
80	3	394	327 14	..	..	..	..
81	2	100	26 10	..	..	..	..
82	3	228	223 13	..	..	..	..
83	5	1,964	1,699 7	..	..	..	..
84	5	1,667	1,700 16	..	..	..	..
85	4	1,527	1,370 16	..	..	..	..
86	1	300	167 15	..	..	..	..
87	3	1,130	1,177 13	..	..	..	..
88	3	3,756	4,326 1	..	..	..	..
89	5	1,862	1,463 14	..	..	..	..
Totals	314	£154,058	£46,267 16	..	..	£2,846 16 11	£1 9 2

FIFTH SCHEDULE.

Appendix No. 5.

ASSURANCES FOR THE WHOLE TERM OF LIFE, WITHOUT PROFITS,

IN FORCE AT 31ST DECEMBER, 1938.

Age attained.	Number of Policies.	Amount assured.	Office Annual Premiums. Ordinary.	Office Annual Premiums. Extra.	Age attained.
		£	£ s. d.	£ s. d.	
19	2	1,200	14 19 0	..	19
20	1	500	6 10 0	..	20
21	3	1,100	8 6 1	..	21
22	2	700	5 19 0	..	22
23	7	1,950	25 6 7	..	23
24	8	4,870	59 19 5	..	24
25	12	7,000	85 13 10	..	25
26	12	6,100	80 1 2	..	26
27	11	3,700	53 15 11	..	27
28	14	5,280	80 7 11	..	28
29	20	9,200	130 13 4	8 18 4	29
30	18	10,233	153 3 1	..	30
31	28	14,870	231 19 3	..	31
32	35	15,200	241 10 1	2 0 0	32
33	29	14,248	237 11 1	..	33
34	29	11,150	195 0 5	..	34
35	42	22,500	386 9 10	..	35
36	33	15,630	281 0 0	..	36
37	44	24,100	443 18 6	..	37
38	50	25,560	485 1 7	1 0 0	38
39	65	32,205	604 3 1	7 5 0	39
40	73	31,420	597 4 7	..	40
41	75	37,300	725 18 8	..	41
42	70	41,750	837 12 4	1 5 0	42
43	70	27,930	563 0 5	0 15 0	43
44	71	29,150	588 10 5	2 0 0	44
45	91	39,717	859 18 11	6 14 2	45
46	90	47,610	992 17 4	5 10 0	46
47	113	46,450	1,011 12 4	8 0 0	47
48	131	55,685	1,199 9 5	8 0 0	48
49	152	59,416	1,392 3 0	5 0 0	49
50	139	62,800	1,466 9 11	8 0 0	50
51	119	53,105	1,216 19 3	2 5 0	51
52	165	65,253	1,588 10 8	6 0 0	52
53	153	63,925	1,593 13 0	22 10 0	53
54	197	97,184	2,558 1 2	19 8 6	54
55	204	79,219	2,096 4 4	2 5 0	55
56	172	77,241	2,075 17 6	15 10 0	56
57	157	60,250	1,722 9 5	18 6 8	57
58	192	76,820	2,370 14 2	6 0 0	58
59	166	70,250	2,278 10 5	9 15 0	59
60	183	65,948	2,034 11 0	7 10 0	60
61	157	60,700	2,002 16 8	9 10 0	61
62	137	61,830	2,189 16 0	6 10 0	62
63	132	47,141	1,648 5 3	4 5 0	63
64	122	49,340	1,830 2 11	12 10 0	64
65	97	39,607	1,595 8 7	6 0 0	65
66	81	31,800	1,303 7 1	3 0 0	66
67	80	39,500	1,735 19 5	3 10 0	67
68	74	23,820	1,013 17 8	5 0 0	68
69	56	32,450	1,407 19 10	4 10 0	69
70	57	21,043	1,034 17 6	3 0 0	70
71	44	19,900	1,027 15 8	..	71
72	47	19,150	921 6 0	3 0 0	72
73	37	15,040	771 7 11	..	73
74	14	5,035	269 5 6	..	74
75	14	9,450	615 0 6	..	75
76	16	16,450	902 7 1	..	76
77	9	3,200	174 1 6	2 0 0	77
78	10	3,200	202 13 1	..	78
79	10	3,550	206 14 2	..	79
80	2	650	39 14 4	..	80
81	4	450	24 3 11	..	81
82	1	300	17 15 6	..	82
83	1	500	28 18 4	..	83
84	5	1,300	86 15 7	..	84
	1	Special group	policy.		
Totals :	**4,456**	**£1,921,125**	**£54,722 7 5**	**£236 12 8**	..

* The sums assured and premiums under this policy have been included under the respective ages above and in Appendix No. 6.

FIFTH SCHEDULE.

Appendix No. 6.

ASSURANCES FOR THE WHOLE TERM OF LIFE BY LIMITED AND SINGLE PREMIUMS, WITHOUT PROFITS,

IN FORCE AT 31ST DECEMBER, 1938.

Age attained.	Number of Policies.	Amount assured.	Year of Expiry of Premiums.	Average Age attained.	Office Annual Premiums. Ordinary.	Office Annual Premiums. Extra.
		£			£ s. d.	
19	..	250	1939	59	165 1 9	..
20	..	400	1940	53	95 16 8	..
21	..	500	1941	55	103 12 10	..
22	..	900	1942	60	100 12 3	..
23	..	2,700	1943	50	14 17 6	..
24	3	4,650	1944	52	23 7 8	1 3 0
25	..	3,150	1945	51	58 16 1	..
26	..	3,200	1946	70	45 13 8	..
27	..	3,150	1950	53	12 7 10	..
28	..	2,850	1951	50	45 17 0	..
29	..	2,900	1952	51	35 2 3	..
30	..	2,350	1953	50	35 17 6	..
31	..	2,350	1954	49	41 1 10	..
32	..	2,950	1955	56	65 10 9	..
33	1	4,150	1956	45	75 7 8	..
34	1	4,400	1957	46	22 7 11	..
35	..	3,100	1958	45	81 10 11	..
36	3	2,868	1959	44	19 13 6	..
37	..	3,150	1960	43	27 16 7	..
38	2	4,300	1961	42	41 19 3	..
39	2	2,906	1962	41	52 18 10	..
40	1	2,500	1963	40	49 15 9	..
41	1	2,450	1964	39	62 8 0	..
42	1	1,657	1965	38	100 11 5	..
43	3	2,250	1966	37	70 19 9	..
44	2	930	1967	36	61 2 1	..
45	2	4,900	1968	35	66 17 1	..
46	2	1,350	1969	34	72 14 0	..
47	2	1,488	1970	33	77 12 4	..
48	4	2,240	1971	32	58 5 4	..
49	3	1,562	1972	31	45 15 4	..
50	7	2,773	1973	27	76 19 5	..
51	10	4,486	1974	29	52 14 0	..
52	11	3,328	1975	28	49 9 3	..
53	4	2,434	1976	27	51 14 11	..
54	3	717	1977	26	51 8 5	..
55	8	2,873	1978	25	48 5 4	..
56	4	952	1979	24	40 6 7	..
57	6	992	1980	23	40 4 5	..
58	7	4,870	1981	22	13 9 7	..
59	4	1,959	1982	21	6 10 5	..
60	7	2,802	1983	20	5 4 4	..
61	5	1,813	1984	19	3 3 1	..
62	2	600	..	..	..	..
63	3	973	..	..	..	..
64	6	5,564	..	..	..	..
65	4	848	..	..	..	..
66	2	600	..	..	..	..
67	2	230	..	..	..	..
68	..	..	..	..	..	..
69	3	1,311	..	..	..	..
70	4	920	..	..	..	..
71	1	1,000	..	..	..	..
72	..	..	..	..	..	..
73	1	597	..	..	..	..
74	..	..	..	..	..	..
77	2	480	..	..	..	..
79	4	479	..	..	..	..
81	2	169	..	..	..	..
Totals ..	**145**	**£,122,280**	..	..	**£2,271 2 1**	**£1 3 0**

FIFTH SCHEDULE.

Appendix No. 7.

TABLE showing the MINIMUM SURRENDER VALUE ruling at the Valuation Date in respect of Policies for £100.

True Age at Entry.	Whole-life Participating Assurance by Equal Annual Premiums for the Whole Term of Life.					Endowment Assurances payable in Fifteen Years, or at previous Death.		Endowment Assurances payable in Twenty-five Years, or at previous Death.				Endowment Assurances payable in Thirty-five Years, or at previous Death.				
	MINIMUM SURRENDER VALUES AT THE END OF															
	5 Years.	10 Years.	15 Years.	25 Years.	35 Years.	5 Years.	14 Years.	5 Years.	10 Years.	20 Years.	24 Years.	5 Years.	10 Years.	20 Years.	30 Years.	34 Years.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
15	3 1 0	6 8 0	10 2 0	18 18 0	30 7 0	25 0 0	89 5 0	11 8 0	26 10 0	67 5 0	90 2 0	6 11 0	15 8 0	37 8 0	72 1 0	91 3 0
20	2 16 0	6 19 0	11 4 0	21 15 0	34 17 0	25 0 0	89 5 0	11 8 0	26 10 0	67 5 0	90 2 0	6 11 0	15 8 0	37 8 0	71 6 0	90 12 0
25	3 10 0	8 7 0	13 8 0	25 15 0	40 7 0	25 0 0	89 5 0	11 8 0	26 10 0	67 5 0	90 2 0	6 11 0	15 8 0	37 8 0	70 14 0	89 18 0
30	4 2 0	9 18 0	16 1 0	30 4 0	45 19 0	25 0 0	89 5 0	11 8 0	26 10 0	67 5 0	90 2 0	6 11 0	15 8 0	37 8 0	70 0 0	89 3 0
35	4 19 0	12 0 0	19 3 0	35 5 0	51 17 0	25 0 0	89 5 0	11 8 0	26 10 0	67 5 0	90 2 0	6 11 0	15 8 0	37 8 0	69 6 0	88 6 0
40	6 2 0	14 10 0	22 17 0	40 10 0	57 9 0	24 6 0	88 7 0	11 4 0	26 6 0	65 14 0	88 12 0	7 4 0	16 19 0	38 15 0	68 12 0	87 8 0
45	7 7 0	17 5 0	26 17 0	45 19 0	62 4 0	23 16 0	87 14 0	11 5 0	26 8 0	64 15 0	87 15 0	..	..	..	..	..
50	8 17 0	20 9 0	31 0 0	51 4 0	65 14 0	23 5 0	87 0 0	11 10 0	26 17 0	63 11 0	86 13 0	..	..	..	..	..
55	10 10 0	23 14 0	35 10 0	55 12 0	69 16 0	22 12 0	86 1 0	12 2 0	27 12 0	62 9 0	85 9 0	..	..	..	..	..
60	12 3 0	27 5 0	39 16 0	58 10 0	77 17 0	21 12 0	84 15 0	..	..	..	..	..	..	..	..	..

NOTE.—In addition to the above Values the full H^M. 4½ per cent. Cash Value of all existing ordinary Bonuses is granted.

ACTUARY'S REPORT

ON THE VALUATION OF THE

GOVERNMENT INSURANCE DEPARTMENT

AS AT 31ST DECEMBER, 1938.

Presented to both Houses of the General Assembly pursuant to Section 40 of the Government Life Insurance Act, 1908.

Wellington, 10th February, 1939.

IN accordance with your instructions, a valuation of the Department's liabilities under its policies has been made for the year ended 31st December, 1938, with the object of ascertaining the net surplus available for distribution amongst the policyholders, and in accordance with section 40 of the Government Life Insurance Act of 1908, and amendments, I have the honour to report as follows:—

The liabilities arise in respect of 86,155 policies assuring, inclusive of bonus additions, the sum of £31,648,139 and £96,011 immediate and deferred annuities per annum; the Office premiums thereon amounting to £746,268 per annum.

The bases adopted for the valuation were as follows:—

(*a*) Endowments: 3 per cent. interest without mortality.

(*b*) Temporary Assurances: The proportion of the premiums corresponding to the unexpired risk.

(*c*) All other classes of assurance: The OM mortality table with 3 per cent. interest.

(*d*) Annuities: The *a* (*m*) and *a* (*f*) mortality tables with 3 per cent. interest.

The net premium method of valuation was employed in respect of groups (*a*) and (*c*) above, and, in addition to the liability brought out on that basis, reserves for future bonuses, immediate payment of claims, and other contingencies were included.

The valuation has disclosed a total surplus of £239,799 as follows:—

	£
Total funds at 31st December, 1938	10,575,749
Less value of liabilities	10,340,316
Net surplus	235,433
Interim bonus paid during year	4,366
Total surplus	£239,799

As required by the Act, surplus arising from favourable mortality has been investigated separately for the General and Temperance Sections, the result indicating that the same rates of bonus should be allotted to policies of the same class in both sections.

I accordingly recommend that the following rates of compound reversionary bonus be declared on the sum assured and existing bonuses in respect of each full year's premium paid during the year:—

	Per Cent. £	s.	d.
Policies issued under Present Premium Tables.			
Whole-life assurances, and long-term endowment assurances maturing at ages 80 and over	1	15	0
Other endowment assurances	1	10	0
Double endowment assurances	1	2	0
Pure endowments	1	0	0
Policies issued under Premium Tables which have been closed.			
Whole-life and endowment assurances	1	10	0
Double endowments	1	7	0

The above bonuses will absorb the sum of £220,192, and I recommend that the balance of the net surplus—viz., £15,241—be carried forward.

S. BECKINGSALE, F.I.A., Actuary.

The Government Insurance Commissioner, Wellington.

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