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**The  
Northern Maritime  
Insurance Company  
Limited**

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**REPORT AND ACCOUNTS 1979**



THE NORTHERN MARITIME INSURANCE COMPANY LIMITED

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**Registered Office**

Phoenix House  
4-5 King William Street  
London  
EC4P 4HR

**Directors**

R K Bishop FCI FCIS (Chairman)  
A R Matanle FCI  
D Town ACII  
K Wilkinson FCI

**Secretary**

E R Wills FCI

**Manager & Underwriter**

D Town ACII

**Auditors**

Touche Ross & Co

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## Notice of meeting

The annual general meeting of the company will be held at Phoenix House, 4-5 King William Street, London, EC4P 4HR on Thursday 15th May 1980 at 11.15 am to receive and consider the directors' report and statement of accounts, to re-elect directors, to re-appoint the auditors and to authorise the directors to fix the auditors' remuneration.

A member of the company entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the company.

By order of the Board

E R WILLS

Secretary

22nd April 1980

## Directors' Report

The directors submit their report on the affairs of the company for the year ended 31st December 1979.

### Principal Activity

The principal activity of the company throughout the year was the transaction of insurance business.

### Underwriting Results

Net premiums amounted to £819,000. Claims settled in respect of all years were £810,000. After taking into account the transfer from profit and loss account of £18,000 the funds at 31st December 1979 amounted to £632,000.

### Profit and Loss Account

Investment income amounted to £254,000. After repayment of part of the contribution from the holding company amounting to £250,000 the loss of £143,000 has been transferred to retained profits and reserves.

### Directors

The directors whose names appear on page 2 were directors throughout 1979.

In accordance with the company's articles of association, Mr D Town retires from office at the forthcoming annual general meeting and, being eligible, offers himself for re-election.

### Directors' Share and Debenture Interests

As recorded in the register of directors' share and debenture interests, the following directors were interested in the following numbers of shares of 25p each of Phoenix Assurance Company Limited:

	Number of shares at	
	1st January 1979	31st December 1979
A R Matanle	350	560
D Town	280	490
K Wilkinson	300	510

The interests of the director who was also a director of Phoenix Assurance Company Limited are not required to be recorded in the register maintained by this company.

### Auditors

Touche Ross & Co have expressed their willingness to be re-appointed at the forthcoming annual general meeting.

By order of the Board

E R WILLS

Secretary

25th March 1980

THE NORTHERN MARITIME INSURANCE COMPANY LIMITED

## Auditors' Report

to the members of THE NORTHERN MARITIME INSURANCE COMPANY LIMITED

In our opinion the accounts and notes on pages 4 to 6 comply with the provisions of the Companies Acts 1948 to 1967 applicable to insurance companies.

The accounts do not include the statement of source and application of funds as required by Statement of Standard Accounting Practice No. 10.

TOUCHE ROSS & Co  
Chartered Accountants

16th April 1980

## Marine Insurance Revenue Account

for the year ended 31st December 1979

	1979	1978
	£'000	£'000
Funds at beginning of year	941	934
Exchange adjustment	(63)	(44)
	<u>878</u>	<u>890</u>
Premiums	819	980
	<u>1,697</u>	<u>1,870</u>
Claims paid	810	882
Expenses	73	67
Funds at end of year	<u>832</u>	<u>941</u>
	<u>1,715</u>	<u>1,890</u>
Loss transferred to profit and loss account	<u>18</u>	<u>20</u>

## Profit and Loss Account

for the year ended 31st December 1979

	Note	1979	1978
		£'000	£'000
Investment income		254	228
Insurance underwriting loss		18	20
		<u>236</u>	<u>208</u>
Expenses not charged to revenue account		2	4
		<u>234</u>	<u>204</u>
Profit before taxation		234	204
Taxation	2	127	65
		<u>107</u>	<u>139</u>
Profit after taxation		107	139
(Repayment of) contribution from holding company		(250)	300
(Loss) profit transferred to retained profits and reserves		<u>(143)</u>	<u>439</u>

THE NORTHERN MARITIME INSURANCE COMPANY LIMITED

## Balance Sheet

as at 31st December 1979

	Note	£'000	1979 £'000	£'000	1978 £'000
<b>Current assets:</b>					
Interest accrued			40		40
Debtors			72		3
Due from holding company			132		198
			<u>244</u>		<u>241</u>
Investments	4		1,494		1,618
			<u>1,738</u>		<u>1,859</u>
<b>Liabilities, including provisions, other than outstanding claims:</b>					
Creditors		41		18	
Due to fellow subsidiaries		108		—	
			<u>149</u>		<u>18</u>
			1,589		1,841
Insurance funds, including outstanding claims	5		832		941
Net assets			<u>757</u>		<u>900</u>
<b>Representing:</b>					
Share capital	6		30		30
Retained profits and reserves			727		870
			<u>757</u>		<u>900</u>

D TOWN Director and Manager & Underwriter

R. K. BISHOP Director  
K. WILKINSON Director

## Accounting Policies

### Disclosure Requirements

The company avails itself of certain of the exemptions from disclosure which are available to it as an insurance company under the Companies Acts and the accounts comply with the statements of standard accounting practice except to the extent that such compliance would override the exemptions.

### Marine Insurance Underwriting Result

The underwriting result is determined after a period of two years from the end of a year, after taking into account the amount required to run off the liabilities outstanding in relation to business attributable to that year. The transactions attributable to the current and immediately preceding years are included in the insurance funds.

### Investments

Investments are stated at cost, less reserves. Profits and losses on the realisation of investments are dealt with, after appropriate adjustments for taxation, through inner reserve.

### Deferred Taxation

Provision is made for deferred taxation at the rate of corporation tax ruling at the balance sheet date.

### Foreign Currencies

Assets, liabilities and transactions in currencies other than sterling are converted into sterling in the main at rates of exchange ruling at the balance sheet date.

Profits and losses resulting from the revaluation of foreign currency assets and liabilities are transferred to inner reserve.

Appropriate adjustment is made in the revenue account to reflect changes in sterling equivalents of foreign currency liabilities included therein.

## Notes to the Accounts

### 1 Source and Application of Funds

A statement of source and application of funds is not included in the accounts as it is considered by the company that such a statement would be of no real value because of the application in the accounts of the exemptions relating to insurance companies contained in the Companies Acts 1948 to 1967.

### 2 Taxation

The provision for United Kingdom taxation includes amounts set aside to cover the liability for corporation tax at the rate of 52% (1978 52%) on all profits brought into account to 31st December 1979.

The charge for taxation in the profit and loss account comprises:

	1979 £'000	1978 £'000
Corporation tax	112	59
Deferred taxation	(2)	(1)
Tax attributable to United Kingdom dividends	9	8
	<u>119</u>	<u>66</u>
Adjustments for previous years	8	(1)
	<u>127</u>	<u>65</u>

### 3 Deferred Taxation

The provision made in the accounts for deferred taxation, included in the balance sheet under "Creditors", after deduction of tax credit receivable represents the full liability and is set out below.

	1979 £'000	1978 £'000
At beginning of year	23	24
Credit to profit and loss account on accrued income	(2)	(1)
At end of year	<u>21</u>	<u>23</u>

### 4 Investments

	1979 £'000	1978 £'000
Government, provincial and municipal securities	1,110	1,164
Other fixed interest securities	164	169
Variable interest securities	220	285
	<u>1,494</u>	<u>1,618</u>

The company has established for the security of policyholders in an overseas territory a trust, the assets of which have been provided by the holding company. The total valuation of investments at market values at 31st December 1979 amounted to £1,637,000 (1978 £1,798,000). If the investments were realised at market value it is estimated that no tax liability would arise (1978 nil).

### 5 Insurance Funds

Insurance funds include provisions and reserves as defined by the Companies Acts 1948 to 1967 and are considered to be sufficient to provide for all outstanding claims.

### 6 Share Capital

	1979 £'000	1978 £'000
Authorised: 10,000 ordinary shares of £5 each	50	50
Issued: 10,000 shares, £3 paid	<u>30</u>	<u>30</u>

### 7 Auditors' Remuneration

The remuneration of the auditors amounted to £1,065 (1978 £830).

### 8 Directors' Emoluments

No directors' emoluments were paid or payable in 1979 or 1978.

### 9 Holding Company

The company's ultimate holding company is Phoenix Assurance Company Limited, incorporated in Great Britain.