

LIVERPOOL MARINE AND GENERAL INSURANCE COMPANY LIMITED

REPORT AND ACCOUNTS for the year ended 31st December, 1974

Certified a true copy

A. R. Matanle
Director

DIRECTORS

W. C. HARRIS, FCII, *Chairman*
R. K. BISHOP, FCII, FCIS
R. G. BLACKMAN, ACII
K. WILKINSON, FCII
Secretary: E. R. WILLS, FCII

[Signature]
Secretary

REPORT OF THE DIRECTORS

The Directors present their report for the year together with the profit and loss account and the balance sheet as at 31st December, 1974.

ACTIVITIES

The principal activity of the company is the participation with The Century Insurance Company Limited in a pool of marine business in the United Kingdom and overseas. The income for the years 1973 and 1974 was:

	1974	1973
	£	£
Investment income	82,864	72,929
Marine premiums	545,676	444,589

PROFIT AND LOSS ACCOUNT

Investment income amounted to £82,864. The sum of £31,250 has been transferred to marine revenue account. After receipt of a subvention payment from the holding company in the amount of £125,000 and the transfer of £100,000 to reserve, the net profit retained is £13,649.

DIRECTORS

The Directors of the company who held office throughout 1974 were:

W. L. Stubbs, FIC (Chairman)	F. G. Cotton, FIA FCIA ASA
R. G. Blackman, ACII	M. S. Hardie, CA
M. G. Brigham, FCA ACII	B. C. Stone, ACII

All the above except Mr. Blackman and Mr. Stone resigned on 12th February, 1975, on which date Mr. W. C. Harris, Mr. R. K. Bishop, Mr. A. R. Matanle and Mr. K. Wilkinson were appointed directors.

In accordance with the company's articles of association all the directors retire from office at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

There were no interests of directors recorded in the register of directors' share and debenture interests on 1st January and 31st December 1974.

AUDITORS

The auditors, Price Waterhouse & Co., have signified their willingness to continue in office.

By order of the Board,

E. R. WILLS, *Secretary*

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

14th April 1975

The policies of this company are guaranteed by The Century Insurance Company Limited

PROFIT AND LOSS ACCOUNT
for the year ended 31st December, 1974

	1974	1973
	£	£
Investment Income	82,864	72,929
Less Transfer to Marine Revenue Account	31,250	—
	<u>51,614</u>	<u>72,929</u>
Less Investment expenses	—	551
	<u>51,614</u>	<u>72,378</u>
Profit before tax, subvention, and transfer to investment reserve		
Taxation (see note 8)		
United Kingdom corporation tax	66,687	59,798
Overseas taxation	1,154	705
	<u>(16,227)</u>	<u>11,875</u>
Balance after tax	125,000	—
Subvention payment from holding company	(100,000)	—
Transfer to investment reserve		
	<u>8,773</u>	<u>11,875</u>
Balance brought forward from previous year	4,876	5,001
	<u>13,649</u>	<u>16,876</u>
Balance available for appropriation		
Dividend	—	12,000
	<u>13,649</u>	<u>4,876</u>
Net Profit retained		

NOTES TO THE ACCOUNTS

1. Ultimate holding company

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

2. Directors' emoluments

No directors' fees or other emoluments were paid to directors of the company. (1973 nil).

3. Auditors' remuneration

The remuneration of the auditors was £400 (1973 £350).

4. Premium Income

Total premiums (net of refunds, rebates and premiums for reinsurance ceded) for the year were £545,676 (1973 £444,589).

5. Investments

Investments are included in the balance sheet at cost or valuation less reserves. The aggregate market value of investments exceeded the amount at which they are stated in the balance sheet.

6. Foreign currencies

Assets, liabilities and funds in foreign currencies have been expressed in sterling at rates ruling at the 31st December, 1974. Revenue transactions in foreign currencies have been expressed at rates approximating to the average for the year.

BALANCE SHEET
as at 31st December, 1974

	1974 £	1973 £		1974 £	1973 £
Capital and reserves			Investments, at cost, less reserve		
Authorised capital:	1,000,000	1,000,000	(see note 5)		
Issued capital:			United Kingdom government securities	453,440	535,990
300,000 ordinary shares of £1 each,			Participation in United States Marine		
fully paid	300,000	300,000	Trust Fund	77,841	97,807
Profit and loss account	13,649	4,876		531,281	633,797
	313,649	304,876	Current assets (see note 9)		
Funds			Agents and other balances ..	2,307,242	2,202,840
Marine, aviation and transport ..	690,070	631,064	Balances at banks on current account	—	13,149
Current liabilities and provisions					
Amount due to holding company ..	731,477	1,038,297			
Dividend due to holding company ..	—	12,000			
Current taxation	45,033	39,879			
Sundry creditors (see note 9) ..	948,253	823,670			
Due to Bankers	110,041	—			
	2,838,523	2,849,786		2,838,523	2,849,786

E. R. WILLS, *Secretary*

R. K. BISHOP, *Director*

A. R. MATANLE, *Director*

7. Marine profit

The marine and aviation 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 premiums received less claims and expenses paid to date in relation to business attributable to the current year and the preceding year are carried forward in the marine and aviation insurance funds which are considered to be sufficient to provide for all outstanding liabilities.

8. Taxation

For tax purposes profits are calculated on different bases from those used for account purposes; as a result, taxable profits in 1974 exceeded book profits by approximately £90,000 (1973 £60,000).

9. Group Pooling arrangements

Current assets and sundry creditors are in respect of Marine business transacted by the company which participates in a pool of Marine business with The Century Insurance Company Limited.

AUDITORS' REPORT TO THE MEMBERS OF LIVERPOOL MARINE AND GENERAL INSURANCE COMPANY LIMITED

In our opinion the annexed accounts and notes comply with the provisions of the Companies Acts, 1948 and 1967 applicable to insurance companies.

3, Frederick's Place
Old Jewry
London, EC2R 8DB
1st May, 1975

PRICE WATERHOUSE & CO.
Chartered Accountants