

The death-rate among pensioners or prospective pensioners when they retire has been assumed to be the same as in Dr. Farr's Healthy English Mortality Table (Males), but in all other respects the actual experience of the Fund itself has been used.

Future increases in salary have been allowed for in valuing the contributions and prospective pensions.

The average rate of interest earned on the Fund during the last nine years has been as follows :—

	£	s.	d.
1900-3	3	9	10
1903-6	3	13	11
1906-9	4	15	3

In the two former valuations 3½ per cent. interest was used, but the improvement in the rate actually earned has been so great that I have taken 4 per cent. on this occasion.

The valuation relates to present members only, and no increase has been made for future entrants.

The results of the valuation are as follows :—

VALUATION BALANCE-SHEET as at 31st March, 1909.

Liabilities.		£	Assets.		£
Value of 79 pensions already granted, for £7,530 per annum	68,150		Accumulated funds at 31st March, 1909 ..	31,813	
Value of prospective pensions to 770 officers now in the service	282,522		Value of future contributions	80,452	
Value of return or part-return of contributions at death or retirement, &c.	15,884		Deficiency	254,291	
	<u>£366,556</u>			<u>£366,556</u>	

As compared with the previous valuations, the value of the contributions has been somewhat reduced (notwithstanding the increase in the staff) by using 4 per cent. interest instead of 3½ per cent., and by allowing for the rather numerous retirements from the Fund experienced in the past. These factors also tend to reduce the value of the prospective pensions; and, although the deficiency has increased, it is less than would have been the case if no change in the method of valuation had been made.

5. The receipts and expenditure for the three triennial periods, 1900-9, have been as follows :—

Income.				Outgo.			
	1900-3.	1903-6.	1906-9.		1900-3.	1903-6.	1906-9.
	£	£	£		£	£	£
Funds at beginning of period	3,257	18,418	27,121	Pensions and other allowances	5,322	13,273	21,296
Contributions ..	19,272	19,341	21,738	Commission ..	105	101	315
Miscellaneous ..	109	169	321	Fund at end of period	18,418	27,121	31,813
Interest	1,207	2,567	4,244				
	<u>23,845</u>	<u>40,495</u>	<u>53,424</u>		<u>23,845</u>	<u>40,495</u>	<u>53,424</u>

The increase in the funds for each year has been as follows :—

	£
Funds at 31st March, 1900	3,257
Increase for the year 1901	5,929
" 1902	5,393
" 1903	3,839
" 1904	3,376
" 1905	3,082
" 1906	2,245
" 1907	2,005
" 1908	1,411
" 1909	1,276
Funds at 31st March, 1909	31,813
Estimated increase for the year 1910.. .. .	463
" decrease 1911.. .. .	40
" decrease 1912.. .. .	688

Estimated funds at 31st March, 1912 £31,548

The increase in the funds was greater than was estimated at the previous investigations, partly owing to the large increase in the staff in recent years, the improvement in the rate of interest earned, and also to the pensions being less than expected. Notwithstanding this, however, the margin between the receipts and expenditure has continuously diminished from £5,929 for the year ending 31st March, 1901, to £1,276 for the year ending 31st March, 1909.