ACCOUNTS.

The revenue account and balance sheet have been prepared in accordance with the 41st section of "The Government Insurance and Annuities Act, 1874," and are attached to this report. In the Ordinary Branch, notwithstanding the expenses attending the quinquennial valuation (which are not properly chargeable to the year's expenses), the ratio of the expenses of management (including commission) to the premium income, has been reduced to 16·3 per cent., as against 37·4 per cent. in the year ending 30th June, 1872, clearly showing that the expenditure incurred on new business has been a good investment, although no credit whatever was taken for such investment in the recent quinquennial valuation.

INDUSTRIAL BRANCH.

The new business in this branch was discontinued at the end of the financial year, although it was fast increasing; the Government having considered that there were circumstances connected with the business that rendered its continuance undesirable, and the report of the English Actuaries shows that this discontinuance was in accordance with their views.

INVESTMENTS.

Investments continue to be made in the manner mentioned in the last report, and a comparison of the present balance sheet with the last will show that the Treasury Bills held by the department have increased during the year from £105,300 to £147,400.

GENERAL REMARKS.

Messrs. Bailey and Pattison having pointed out that the rates of premium charged on older ages were too low, the tables are now being revised on the basis of the "Mortality Experience of the Institute of Actuaries."

A valuation is also being made by the department, which is intended to be done annually, in addition to the quinquennial investigation prescribed by law. The whole of the operations will thus be kept under review, while errors (if such should creep in) will be detected, and the stability of the office placed beyond doubt. These arrangements will give additional confidence to the public, and doubtless will tend still further to increase the business of the department.

I have, &c.,

J. WOODWARD,

The Hon. the Colonial Treasurer.   Deputy Commissioner.

REVENUE ACCOUNT of the ORDINARY BRANCH from 1st July, 1875, to 30th June, 1876.

	£	s.	d.		£	s.	d.
Amount of Funds on 1st July, 1875	109,967	12	1	Claims	21,550	0	0
Renewal Premiums	61,136	13	6	Surrenders	820	4	7
New Premiums	8,414	2	1	Annuities...	1,384	17	0
Single Premiums	346	1	9	Commission, New	1,507	4	2
Consideration for Annuities granted	2,356	4	5	Commission, Renewal	1,408	5	7
Interest	6,669	6	11	Travelling Allowance, Agents'	1,266	4	3
Fines	Nil.			Medical Fees	1,794	0	0
Miscellaneous	11	19	0	Travelling Expenses	299	6	6
				Advertising	276	7	3
				Salaries, Head Office	2,500	0	0
				Extra Clerical Assistance	284	10	0
				Salaries, Travelling Agents'	938	1	2
				Printing	205	4	6
				Rent	115	8	0
				Cost of Actuarial Valuation	705	11	8
				Miscellaneous	76	7	10
				Written off Furniture	52	19	9
				Amount of Funds on 30th June, 1876...	153,717	7	6
	£188,901	**19**	**9**		**£188,901**	**19**	**9**

BALANCE SHEET of the ORDINARY BRANCH, 30th June, 1876.

LIABILITIES.	£	s.	d.	ASSETS.	£	s.	d.
Total Funds, as per Revenue Account...	153,717	7	6	Loans upon Policies	584	1	3
Claims announced but not paid	2,800	0	0	Investments (Treasury Bills)	147,400	0	0
Annuities due and unpaid	122	8	8	Office Furniture, Head Office and Agencies	476	18	6
Commission, New	660	4	11	Agents' Balances	55	17	4
Commission, Renewal	36	14	3	Outstanding Premiums	5,817	2	4
Travelling Expenses	59	5	7	Outstanding Interest	42	10	10
Medical Fees	535	10	0	Accrued Interest	1,227	14	1
Advertising	37	16	4	Advance to Industrial Branch	478	4	3
Agents' Salaries	6	1	0	Cash	2,560	17	2
Stationery	119	8	1				
Rent	35	8	0				
Messrs. Pattison and Bailey's Fees	500	0	0				
Miscellaneous	13	1	5				
	£158,643	**5**	**9**		**£158,643**	**5**	**9**