

1945
NEW ZEALAND

ACCIDENT INSURANCE BRANCH OF THE STATE FIRE INSURANCE OFFICE

(ANNUAL REPORT ON THE) FOR THE YEAR ENDED 31st DECEMBER, 1944

Presented to both Houses of the General Assembly pursuant to Section 22 of the Government Accident Insurance Act, 1908

State Fire Insurance Office, Wellington, 29th March, 1945.

I HAVE the honour to submit the forty-fourth annual report of the Government Accident Insurance Office for the year ended 31st December, 1944, together with the Revenue Account and Balance-sheet.

The following comparison with the previous two years shows the position briefly:—

	1942.		1943.		1944.	
	£	£	£	£	£	£
Income—						
Premiums from all classes of accident insurance	232,241		384,035		298,250	
Interest	22,364		22,588		25,427	
Profit on realization of securities	18		..		432	
Transferred from reserve for unearned premiums .. .. .	..		..		25,000	
	254,623		406,623		349,109	
Outgo—						
Bonus and sums accrued under profit-sharing schemes	3,746		590		467	
Claims	122,826		193,816		202,552	
Working-expenses (exclusive of income-tax)	38,172		43,656		51,808	
Carried to reserve for unearned premiums .. .. .	..		72,813		..	
Income-tax	68,930		54,597		69,174	
National and social security tax	13,797		10,720		14,977	
	247,471		376,192		338,978	
Surplus, apportioned as follows:—						
Bonus Reserve .. .. .	..		30,000		10,000	
Reserve Fund	7,152		431		131	
	7,152		30,431		10,131	
Total	254,623		406,623		349,109	
Reserves and funds as at 31st December	587,077		690,321		675,452	
Ratio of claims (all classes of business) to premium income	Per Cent. 52·89		Per Cent. 50·47		Per Cent. 67·91	
Ratio of working-expenses (exclusive of income-tax) to premium income	16·43		11·37		17·37	
Ratio of underwriting surplus to premium income	0·21		6·18		0·72	

The premium income for 1944, compared with the previous year, shows a distinct falling off. The previous year's premium income was, as pointed out in the last annual report, by far the largest in the history of the Office, due largely to special insurances effected as a consequence of allied war activities within the Dominion. During the year under review these activities diminished considerably, with the result that this business, which was of a temporary nature, was no longer available. In other respects the business of the Office has shown steady progress.

The Office continues to carry the increased liabilities under both the 1936 and the 1943 amendments to the Workers' Compensation Act without any increase in premium rates, and as from the 1st January, 1945, is allowing a rebate of 12½ per cent. on premiums to policyholders, special provision for which was made in the report and balance-sheet for 1943.

As with the Fire Branch, the work of this Branch has been carried on with a depleted staff assisted by a temporary staff, and I desire to record my appreciation of their excellent services and co-operation.

R. H. NEWBOLD, General Manager.

REVENUE ACCOUNT OF THE ACCIDENT BRANCH OF THE STATE FIRE INSURANCE OFFICE FOR THE YEAR ENDED
31ST DECEMBER, 1944

			£	s.	d.				£	s.	d.		
Premiums after deduction of reinsurances	298,249	13	0	Bonus and sums accrued under profit-sharing schemes	..	..	..	..	467	6	10
Interest (including interest on Reserve Fund investments)	25,427	2	9	Claims	..	..	..	..	202,551	16	5
Less—	£					Income-tax	..	..	..	..	51,482	11	1
Income-tax	..	14,692				National and social security tax	..	..	..	..	11,798	12	10
National and social security tax	..	3,178				Commission	..	..	..	..	8,928	16	7
		17,870	0	0		Salaries	..	..	..	..	32,500	12	0
						Contribution to Public Service Superannuation Fund	..	..	..	..	302	8	0
Profit on realization of securities	7,557	2	9	Expenses of management	..	..	..	..	10,075	15	11
Transferred from reserve for unearned premiums	25,000	0	0						321,107	19	8
						Appropriation to Bonus Reserve	..	..	..	..	10,000	0	0
						Amount of Accident Funds, 31st December, 1944	..	..	..	..	131	4	1
											£331,239	3	9
											£331,239	3	9

BALANCE-SHEET OF THE ACCIDENT BRANCH OF THE STATE FIRE INSURANCE OFFICE AS ON THE 31ST DECEMBER, 1944

<i>Liabilities</i>			£	s.	d.	<i>Assets</i>			£	s.	d.		
Accident funds, as per Revenue Account	131	4	1	Government securities	..	..	..	..	413,719	0	0
Outstanding accident claims	187,728	0	0	Local-authority securities	..	..	..	..	142,955	10	2
Government taxes	150,026	3	11	Rural Advances bonds	..	..	..	..	4,725	0	0
Commission	863	0	0	Fixed deposits and at short call	..	..	..	..	150,000	0	0
Premium and other deposits	1,678	16	3	Interest accrued but not due	..	..	..	..	5,564	10	5
Sundry creditors	8,363	13	1	Agents' balances	..	..	..	..	3,452	14	5
Reinsurance premiums due	714	10	4	Sundry debtors, including Motor-vehicles Insurance (Third-party Risks) Act pool	..	..	..	..	214,608	10	3
Officers' Fidelity Fund	500	0	0	Cash in hand on current account	..	..	..	..	59,800	14	1
Reserve for unearned premiums	182,200	14	0								
Bonus Reserve	40,000	0	0								
Investment Fluctuation Reserve	70,000	0	0								
Reinsurance Reserve	56,000	0	0								
Bad Debts Reserve	1,000	0	0								
Reserve Fund constituted under section 6 of the Government Accident Insurance Amendment Act, 1924	325,619	17	8								
			£1,024,825	19	4						£1,024,825	19	4

31st May, 1945.

R. H. NEWBOLD, General Manager.
T. L. SEATOR, Deputy General Manager.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—
CYRIL G. COLLINS, Controller and Auditor-General.

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