

1946
NEW ZEALAND

STATE FIRE INSURANCE OFFICE

ANNUAL REPORT OF THE GENERAL MANAGER FOR THE YEAR ENDED 31ST DECEMBER, 1945

Presented to both Houses of the General Assembly pursuant to the Provisions of the State Fire Insurance Act, 1908

State Fire Insurance Office, Wellington, 29th March, 1946

I HAVE the honour to submit the forty-first annual report of the State Fire Insurance Office, for the year ended 31st December, 1945, with the Revenue Account and Balance-sheet.

The following are the comparative figures for the last three years :—

	1943.		1944.		1945.	
	£	£	£	£	£	£
Income—						
Premiums	225,037		183,827		203,494	
Other receipts, less land-tax	65,982		59,779		63,693	
	<u>291,019</u>		<u>243,606</u>		<u>267,187</u>	
Outgo—						
Bonus rebate to policyholders	47,128		20,782		20,398	
Claims	25,018		38,110		36,900	
Working-expenses (exclusive of income-tax and Fire Board contributions)	54,512		53,393		55,958	
Fire Board contributions	16,144		16,365		16,418	
Income-tax	83,788		76,341		72,746	
National and social security tax	18,201		16,501		12,596	
Carried to reserve for unearned premiums	1,289		..		..
	<u>246,080</u>		<u>221,492</u>		<u>215,016</u>	
Surplus, apportioned as follows :—						
Written off Office premises	21,000		20,000		20,000	
Reserve Fund	23,939		2,114		32,171	
	<u>44,939</u>		<u>22,114</u>		<u>52,171</u>	
Total	<u>291,019</u>		<u>243,606</u>		<u>267,187</u>	
Reserves and funds at 31st December ..	<u>1,266,500</u>		<u>1,268,613</u>		<u>1,300,785</u>	
	Per Cent.		Per Cent.		Per Cent.	
Ratio of claims to premium income	11·12		20·73		18·13	
Ratio of working-expenses (exclusive of income-tax and Fire Board contributions) to premium income	24·22		29·05		27·5	
Ratio of Fire Board contributions to premium income	7·18		8·9		8·07	
Ratio of income-tax and national and social security tax to total income	35·04		38·11		31·94	

The result of the year's working must be considered highly satisfactory.

Net premium income shows an increase of £19,667 over that for 1944, and is the largest increase secured in any one year since 1926.

This result has been achieved notwithstanding the fact that the Office has carried on with a depleted trained staff due to the war, and it speaks well of the capacity and zeal of those who so efficiently coped with this increased volume of business. It also points to the increasing practical support given the Office by the insuring public.

The premium rates charged were the lowest since the inception of the Office.

I desire to again record the excellent service rendered by the executive officers and the staff generally during the year.

R. H. NEWBOLD, General Manager.

REVENUE ACCOUNT OF THE STATE FIRE INSURANCE OFFICE FOR THE YEAR ENDED 31ST DECEMBER, 1945

	£	s.	d.	£	s.	d.	£	s.	d.
Premiums after deduction of reinsurances	..	65,902	1	0	..	203,494	7	6	..
Other receipts—									
Interest, commission, and rent	..	..	..	..	..	..	..	..	..
Less tax on interest, commission, and rent—	£	s.	d.						
Land and income tax	36,529	19	2						
National and social security tax	..	5,940	0	0					
	42,469	19	2	..	23,432	1	10	..	..
Bonus rebate to policyholders	..	..	..	..	..	..	..	..	..
Losses by fire and earthquake (after deduction of re-insurances)	..	..	..	..	..	..	..	..	..
Income-tax on underwriting account	..	..	..	..	..	..	..	..	..
National and social security tax on underwriting account	..	..	..	..	..	..	..	..	..
Commission	..	..	..	..	..	..	..	..	..
Salaries	..	..	..	..	..	..	..	..	..
Contribution to Public Service Superannuation Fund	..	..	..	..	..	..	..	..	..
Contribution to Fire Boards under the Fire Brigades Act, 1908	..	..	..	..	..	..	..	..	..
Expenses of management—	£	s.	d.						
Travelling-expenses	..	1,691	5	7					
Printing, stationery, and advertising	..	1,171	1	7					
Rent	..	2,056	12	8					
Exchange	..	..	..	..	
Postages, telegrams, cablegrams, and sundry charges	..	..	..	..	
	..	3,877	4	0					
Office equipment	..	..	..	..	..	..	..	..	..
Office premises—									
Depreciation	..	..	..	..	..	..	..	..	..
Written off	..	..	..	..	..	..	..	..	..
Amount of fire-insurance funds at end of year	..	..	..	..	..	..	..	..	..
	20,397	14	3	..	..	..	..	..	..
	36,900	3	10	..	..	..	..	..	..
	38,425	8	0	..	..	..	..	..	..
	6,655	18	3	..	..	..	..	..	..
	8,861	11	5	..	..	..	..	..	..
	33,082	13	9	..	..	..	..	..	..
	418	13	2	..	..	..	..	..	..
	16,417	15	11	..	..	..	..	..	..
	8,841	4	3						
	78	19	8						
	4,675	0	0						
	174,755	2	6						
	20,000	0	0						
	32,171	6	10						
	£226,926	9	4						

BALANCE-SHEET OF THE STATE FIRE INSURANCE OFFICE ON THE 31ST DECEMBER, 1945

Liabilities		Assets	
£	s. d.	£	s. d.
Capital authorized by the State Fire Insurance Act, 1908	100,000	Government securities	914,753 12 0
Less not raised	100,000	Local-authority securities	201,916 16 7
		Rural Advances bonds	14,175 0 0
Bad debts Reserve	Nil	Fixed deposits and at short call	150,000 0 0
Reserve Fund	1,500 0 0	Land and buildings	167,339 8 11
Investments Fluctuation Reserve Fund	807,015 15 9	Outstanding premiums	15,325 17 8
Reserve for unearned premiums	85,000 0 0	Interest accrued but not due	10,898 0 0
Bonus Rebate Reserve	112,518 14 10	Rent accrued or due	6,755 14 6
Reinsurance Reserve Fund	122,578 17 0	Cash in Reserve Bank of New Zealand	
Premium and other deposits	140,000 0 0	at Wellington, or in transit to Wellington	132,742 10 6
Outstanding fire and earthquake losses	2,367 11 0	Imprest Account balances: Head Office	3,889 5 9
Government taxes	7,697 0 0	and branches	136,631 16 3
Sundry creditors	178,755 6 3		
Other amounts owing by the Office—	74,902 16 8		
Reinsurance premiums due	£ 39,157 17 7		
Commission	2,904 0 0		
Printing, stationery, and advertising	327 0 0		
Postages and sundry charges	10,870 0 0		
Fire-insurance funds, as per Revenue Account	53,258 17 7		
	32,171 6 10		
	<u>£1,617,766 5 11</u>		<u>£1,617,766 5 11</u>

31st May, 1946.

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.—J. P. RUTHERFORD, Controller and Auditor-General.

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