

Since my report of April, 1916, no progress has been made with the proposed buildings for the housing of the staff of the Office in Wellington. The Government has not deemed it advisable to authorize proceeding with the work under present conditions. The business has outgrown the present premises, and it has been found necessary to fit up a one-story brick building in Waring Taylor Street, on the site purchased in 1915, to house the staff. This is at best but temporary, and will not obviate the necessity of proceeding with the proposed building as soon as the work can be carried out at a reasonable cost.

Following are the particulars of profits, net income, losses, working-expenses, and funds for 1916 as compared with the year 1915:—

Profits.—The net profits, after appropriating a further sum of £2,577 5s. 5d. to unearned-premiums reserve, and a further sum of £1,000 to investment-fluctuation reserve, amounted to £35,697 5s. 6d., as compared with £25,652 19s. 4d. for 1915. The total accumulated profits at the close of 1916 amounted to £121,915 2s. 4d., as against £86,217 16s. 10d. for 1915.

Net Income.—The net income from all sources amounted to £82,694 11s. 10d., as against £76,299 11s. 8d. for 1915, showing an increase of £6,395. The net premium income was £77,609 1s. 10d. as against £71,165 18s. 2d. for 1915, an increase of £6,443 3s. 8d.

Losses.—The net losses were £21,897 14s. 2d., as compared with £27,476 10s. 5d. for 1915, the ratio to premium income being 28·22 per cent. and 38·6 per cent. respectively.

Working-expenses.—The ratio of working-expenses to premium income for 1916 was 27·7 per cent., and 27·5 per cent. for 1915.

Accumulated Funds.—The funds at close of 1916 amounted to £155,958 15s. 1d., and for 1915 £116,684 4s. 2d., showing the very substantial increase of £39,274 10s. 11d.

The State Fire Office has now been in operation for twelve years, and a comparison between the figures for the first six years and those of the second six years is given hereunder. The success of the second half of the period over the first half is very pronounced.

	First Six Years. £	Second Six Years. £
Total net income	160,164	393,214
Total losses	81,783	158,107
Total profits	7,046	114,869
Averages per annum—		
Net income	26,694	65,535
Net losses	13,630	26,351
Profits	1,174	19,145
Ratio of working-expenses to premiums (per cent.) ..	34·9	27·3
Ratio of losses to premiums (per cent.)	51·8	42·1

C. R. C. ROBIESON,
General Manager.

REVENUE ACCOUNT OF THE STATE FIRE INSURANCE OFFICE FOR THE YEAR ENDED
31ST DECEMBER, 1916.

	£	s. d.		£	s. d.
Premiums after deduction of reinsurances	77,609	1 10	Losses by fire (after deduction of reinsurances)	21,897	14 2
Other receipts—Interest, commission, and rent	5,085	10 0	Appropriated to reserve for unearned premiums (in addition to £28,466 7s. 4d. already reserved)	2,577	5 5
			Investments Fluctuation Reserve Fund..	1,000	0 0
			Commission	6,701	4 3
			Salaries	8,216	15 1
			War bonus to staff on salaries under £315	455	5 9
			Contributions to Fire Boards under the Fire Brigades Act, 1908	1,489	1 10
			Expenses of management—		
			Travelling-expenses	422	1 7
			Printing, stationery, and advertising	713	17 7
			Rent	1,017	14 7
			Exchange	19	13 3
			Postages, telegrams, cables, and sundry charges	1,546	14 10
			Office equipment written off	939	18 0
				4,659	19 10
			Amount of fire-insurance funds at end of year	35,697	5 6
				£82,694	11 10

12th February, 1917.

C. R. C. ROBIESON,
General Manager.

Examined and found correct.—R. J. COLLINS, Controller and Auditor-General.