

1931.
NEW ZEALAND.

ACCIDENT INSURANCE BRANCH OF THE STATE FIRE INSURANCE OFFICE

(ANNUAL REPORT ON THE) FOR THE YEAR ENDED 31ST DECEMBER, 1930.

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

State Fire Insurance Office, Wellington, 1st June, 1931.

I HAVE the honour to submit the thirtieth annual report of the Government Accident Insurance Office, for the year ended 31st December, 1930, together with the Revenue Account and Balance-sheet.

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

| | 1928. | 1929. | 1930. |
|---|-----------------|-----------------|-----------------|
| | £ | £ | £ |
| Income— | | | |
| Premiums from all classes of accident insurance | 71,731 | 81,353 | 104,934 |
| Interest | 12,368 | 13,342 | 14,860 |
| Outgo— | | | |
| Claims.. .. . | 43,807 | 49,853 | 61,040 |
| | Per Cent. | Per Cent. | Per Cent. |
| Ratio of claims (all classes of business) to premium income | 61·07 | 61·28 | 58·17 |
| | £ | £ | £ |
| Free-year bonus on personal accident policies | 145 | 166 | 307 |
| Working-expenses (exclusive of income-tax) | 16,482 | 18,340 | 19,121 |
| Loss on realization of securities | .. | .. | 146 |
| Ratio of working-expenses (exclusive of income-tax) to premium income | Per Cent. 22·98 | Per Cent. 22·55 | Per Cent. 18·22 |
| | £ | £ | £ |
| Income-tax | 3,294 | 3,939 | 4,036 |
| Carried to reserve for unearned premiums | 2,776 | 4,330 | 10,611 |
| | Per Cent. | Per Cent. | Per Cent. |
| Ratio of underwriting surplus to premium income.. .. . | 11·88 | 10·65 | 13·07 |
| Surplus, apportioned as follows :— | £ | £ | £ |
| Investment Fluctuation Reserve | .. | 3,000 | 3,000 |
| Reserve Fund | 17,592 | 15,066 | 21,531 |
| | £17,592 | £18,066 | £24,531 |
| Reserves and funds as at 31st December | £245,909 | £268,306 | £303,448 |

The very substantial increase in premium income, which for the first time passed the £100,000 mark, is due largely to the support accorded to the Office by motorists under the Motor-vehicles Insurance (Third-party Risks) Act, 1928. The loss ratio to premium income from all classes of business was lower than for some years past, and a reduction in the working-expense ratio was effected. This latter ratio (18·22 per cent.) is considerably lower than at any previous time in the history of the Office, and the year's surplus of £24,531 constitutes a record.

J. H. JERRAM, General Manager.

REVENUE ACCOUNT OF THE ACCIDENT BRANCH OF THE STATE FIRE INSURANCE OFFICE FOR THE YEAR ENDED
31ST DECEMBER, 1930.

| | | £ | s. | d. | | | £ | s. | d. |
|--|----|----------|----|----|--|----|----------|----|----|
| Premiums after deduction of reinsurances | .. | 104,934 | 17 | 4 | Free-year bonus on personal accident policies | .. | 307 | 16 | 7 |
| Interest | .. | 14,860 | 18 | 6 | Claims | .. | 61,040 | 15 | 3 |
| Less land and income tax | .. | 4,036 | 16 | 1 | Commission | .. | 4,896 | 18 | 5 |
| | | | | | Salaries | .. | 11,173 | 0 | 0 |
| | | 10,824 | 2 | 5 | Contribution to Public Service Superannuation Fund | .. | 290 | 0 | 0 |
| | | | | | Expenses of management | .. | 2,761 | 10 | 9 |
| | | | | | Further appropriation to reserve for unearned premiums | .. | 10,611 | 11 | 11 |
| | | | | | Further appropriation to Investments Fluctuation Reserve | .. | 3,000 | 0 | 0 |
| | | | | | Loss on realization of securities | .. | 146 | 6 | 8 |
| | | | | | Amount of accident funds, 31st December, 1930.. | .. | 21,531 | 0 | 2 |
| | | £115,758 | 19 | 9 | | | £115,758 | 19 | 9 |

BALANCE-SHEET OF THE ACCIDENT BRANCH OF THE STATE FIRE INSURANCE OFFICE AS ON THE 31ST DECEMBER, 1930.

| <i>Liabilities.</i> | | £ | s. | d. | <i>Assets.</i> | | £ | s. | d. |
|---|----|----------|----|----|---|----|----------|----|----|
| Accident funds, as per Revenue Account | .. | 21,531 | 0 | 2 | Government war-loan securities | .. | 100,500 | 0 | 0 |
| Outstanding accident claims | .. | 27,871 | 15 | 7 | Other Government securities | .. | 38,000 | 0 | 0 |
| Government taxes | .. | 4,036 | 16 | 1 | Local-authority securities | .. | 93,307 | 5 | 10 |
| Commission | .. | 488 | 8 | 8 | Rural Advances bonds | .. | 14,425 | 0 | 0 |
| Premium and other deposits | .. | 71 | 15 | 7 | Property under agreement for sale and purchase | .. | 3,980 | 0 | 0 |
| Sundry creditors | .. | 106 | 12 | 3 | Fixed deposits and at short call | .. | 35,000 | 0 | 0 |
| Officers' Fidelity Fund | .. | 500 | 0 | 0 | Interest accrued but not due | .. | 4,507 | 14 | 9 |
| Reserve for unearned premiums | .. | 47,220 | 13 | 10 | Agents' balances | .. | 4,407 | 11 | 4 |
| Investment Fluctuation Reserve | .. | 9,000 | 0 | 0 | Sundry debtors, including Motor-vehicles Insurance (Third-party Risks) Act pool | .. | 36,802 | 10 | 3 |
| Reserve Fund constituted under section 6 of the Government Accident Insurance Amendment Act, 1924.. | .. | 225,196 | 19 | 11 | Cash in hand on current account | .. | 5,093 | 19 | 11 |
| | | £336,024 | 2 | 1 | | | £336,024 | 2 | 1 |

30th April, 1931.

J. H. JERRAM, General Manager.
C. B. REDWARD, Accountant.

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.—G. F. C. CAMPBELL, Controller and Auditor-General.

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