

1886.
NEW ZEALAND.

NEW ZEALAND GOVERNMENT LIFE INSURANCE ASSOCIATION

(ANNUAL REPORT OF THE), FOR THE YEAR ENDED 31st DECEMBER, 1885.

Presented to both Houses of the General Assembly pursuant to Section 66 of "The New Zealand Government Insurance Association Act, 1884."

Head Office, Wellington, 28th April, 1886.

THE Central Board of the New Zealand Government Life Insurance Association have the honour to report as follows:—

The revenue accounts and balance-sheet for the year, certified by the Controller and Auditor-General, are appended to this Report. The particulars of the business during the period are narrated below.

ORDINARY BRANCH.—NEW BUSINESS.

The new proposals received during the year numbered 6,423, for a total sum of £1,393,249 18s., as against 4,520 proposals presented the previous year for £1,137,217 4s. 7d. Of the proposals received 4,379 became policies assuring £859,769 16s., and annuities for £569 13s. 8d. per annum as against 3,309 policies issued in 1884 insuring £800,016 1s. 9d., and annuities for £310 1s. 2d. per annum. The number of proposals declined was 487, and in the remainder of the cases the proposers failed to complete.

INDUSTRIAL BRANCH.

This branch is being rapidly wound up. The policies in force at the end of the year numbered 4,193, assuring a fixed sum on adult lives and a varying sum on those of the children, amounting in all to a total of £59,514 13s. The weekly premiums on the policies in force in this branch amounted to £52 12s. The sum paid for death claims during the year was £575 5s.

ACCUMULATED FUNDS.

At the end of 1885 the Accumulated Fund amounted to £1,102,034 11s. 11d., showing an increase of £129,258 17s. 3d.

GENERAL REMARKS.

The amount of new business during 1885 is in excess of that of the previous year, and above the average of the last five years. The quinquennial period ended with the close of the year 1885. The particulars have been sent Home for the English Actuaries to work out the results. A large portion of the increased expenditure is due to the three causes of the transfer of the business from the Government Department to the Incorporated Association, and the additional expenses entailed by the new organization and by the quinquennial investigation. The alphabetical list of electors, the expenses in connection with voting and with the elections, the larger advertising required, the reprinting of policies, forms, and prospectuses, the Directors' fees, the travelling expenses, postages, and telegrams, all incidental to the causes referred to, are estimated to have absorbed three thousand four hundred pounds of the additional expenditure; the balance may be set down to the expansion of the business.

The Board has lent, and is continuing to lend, considerable sums on mortgage of freehold property. Very great care is exercised in every case to ascertain that the security is a desirable one. The Board is also taking up the debentures of municipal bodies authorized by Parliament. The Board, at the wish of the Government, has agreed that not less than two-fifths of the assets for the time being shall be invested in Government securities; any investment beyond that amount in these securities to be optional with the Board.

Under the provisions of the Act incorporating the Association, one Director (Mr. Graham) retires this year, and the policyholders are called on to fill the vacancy. Mr. Graham offers himself for re-election, and is eligible.

The annual general meeting is appointed to take place at the Athenæum Hall, Lambton Quay, Wellington, on the fourteenth day of June.