4. During the latter part of the year the Fire Rating Schedules of the Office were redrafted with a view to simplifying ratings and applying the underwriting experience of recent years to the main classes from which the business of the Office is derived.

The effect on premiums of the new schedule, plus rebates, will be to give policyholders, in addition to all previous reductions, an average reduction on their 1943 premiums of 22 per cent. Some policyholders will get less, others more, than 22 per cent. It will be recognized that the work of re-rating risks insured under more than 150,000 policies will be no easy task under wartime conditions, when so many experienced officers are absent on service with the Forces.

5. During the year the Office continued to administer the Marine Insurance (War Risks) Emergency Regulations 1942 and the Detention Allowances for Captured Seamen's Fund. Also the General Manager and the Secretary of the Office continued to devote part-time service to the War Damage Commission as Deputy Chairman and Secretary respectively.

6. As this is the last occasion upon which I shall make the annual report, it is a suitable opportunity to express my warm thanks to the Managers and staff of the Office for their able and willing co-operation during the twenty-one years I have been General Manager. From every aspect, I believe there is justification for regarding the Office as a particularly successful example of competitive State enterprise.

J. H. JERRAM, General Manager.

REVENUE ACCOUNT OF THE STATE FIRE INSURANCE OFFICE FOR THE YEAR ENDED 31ST DECEMBER, 1943

	£	s.	d.	£	s.	d.
Premiums after deduction of reinsurances ..				225,037	9	8
Other receipts—						
Interest, commission, and rent	68,228	2	8			
Less land and income tax £38,200 1s. 8d., and national and social security tax £7,779	45,979	1	8			
				22,249	1	0
				£247,286	10	8

	£	s.	d.	£	s.	d.
Bonus rebate to policyholders				47,127	11	9
Losses by fire and earthquake (after deduction of reinsurances)				25,018	11	6
Income-tax				47,834	0	10
National and social security tax				10,421	18	2
Commission				9,477	17	5
Salaries				29,917	5	2
Contribution to Public Service Superannuation Fund				457	19	3
Contribution to Fire Boards under the Fire Brigades Act, 1908				16,144	8	0
Expenses of management—						
Travelling-expenses	1,020	6	11			
Printing, stationery, and advertising	875	2	2			
Rent	2,480	19	6			
Exchange	44	14	9			
Postages, telegrams, cablegrams, and sundry charges ..	4,547	16	10			
				8,969	0	2
Office equipment				207	11	6
Office premises: Depreciation				5,482	0	0
Reserve for unearned premiums				1,289	10	8
				202,347	14	5
Office premises: Written off				21,000	0	0
Amount of fire-insurance funds at end of year ..				23,938	16	3
				£247,286	10	8

BALANCE-SHEET OF THE STATE FIRE INSURANCE OFFICE ON THE 31ST DECEMBER, 1943

Liabilities	£	s.	d.	£	s.	d.
Capital authorized by the State Fire Insurance Act, 1908	100,000					
Less not raised	100,000					
				Nil		
Bad Debts Reserve				1,500	0	0
Reserve Fund				780,963	6	5
Investments Fluctuation Reserve Fund ..				85,000	0	0
Reserve for unearned premiums				112,518	14	10
Bonus Rebate Reserve				122,578	17	0
Reinsurance Reserve Fund				140,000	0	0
Premium and other deposits				2,541	12	9
Outstanding fire and earthquake losses ..				2,499	0	0
Government taxes				193,818	19	0
Sundry creditors				112,215	18	3
Other amounts owing by the Office—						
Reinsurance premiums due ..	9,958	10	10			
Commission	2,276	13	3			
Printing, stationery, and advertising	12	8	9			
Postages and sundry charges ..	2,363	0	4			
				14,610	13	2
Fire-insurance funds, as per Revenue Account ..				23,938	16	3
				£1,592,215	17	8

Assets	£	s.	d.	£	s.	d.
Government securities				814,811	12	0
Local-authority securities				215,695	3	10
Rural Advances bonds				14,175	0	0
Fixed deposits and at short call				110,000	0	0
Land and buildings				216,140	2	3
Outstanding premiums				15,124	15	7
Interest accrued but not due				10,624	3	6
Rent accrued or due				8,172	12	6
Cash in Reserve Bank of New Zealand at Wellington, or in transit to Wellington ..	184,280	1	11			
Imprest Account balances: Head Office and branches ..	3,192	6	1			
				187,472	8	0
				£1,592,215	17	8

J. H. JERRAM, General Manager.

R. H. NEWBOLD, Deputy General Manager.

31st May, 1944.

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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