

2. After making full provision for outstanding claims, the loss ratio for the year (50·47 per cent.) is less than for 1942, and the working-expense ratio (11·37 per cent.) is the lowest since the Office was established, and probably constitutes a record in connection with general accident-insurance business in New Zealand.

3. The results for 1943 have warranted the Board in giving favourable consideration to the declaration of a bonus to policyholders during 1944 in accordance with the provisions of section 6 of the Government Accident Insurance Amendment Act, 1924. Accordingly £30,000 of the surplus for the year has been carried to a Bonus Reserve for distribution.

The Office continues to carry the increased liabilities under both the 1936 and the 1943 Amendments to the Workers' Compensation Act without increasing premium rates.

4. On retiring from the position of General Manager, which I have held since this Branch was combined with the State Fire Office in 1925, I desire to express my appreciation of the consistent loyalty and keen efficiency of the staff. As a Government Office the Accident Branch is called upon to investigate and advise regarding accident-insurance questions which hardly come under the notice of private insurance companies, and on occasions the Office is also called upon to devise means of extending insurance protection in cases where the risk has been regarded as uninsurable. That the Office has not unsuccessfully served the people of the Dominion in these and every other aspect of accident insurance, including low cost of premiums, is shown by the great support it receives from all sections of the community and the leading position it has attained in a severely competitive insurance field.

J. H. JERRAM, General Manager.

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

|                                                              | £        | s. | d. |                                                           | £        | s. | d. |
|--------------------------------------------------------------|----------|----|----|-----------------------------------------------------------|----------|----|----|
| Premiums after deduction of reinsurances ..                  | 384,035  | 8  | 0  | Bonus and sums accrued under profit-sharing schemes ..    | 590      | 6  | 2  |
| Interest (including interest on Reserve Fund investments) .. | 22,588   | 2  | 6  | Claims ..                                                 | 193,815  | 17 | 1  |
| Less—                                                        |          |    |    | Income-tax ..                                             | 41,546   | 0  | 10 |
| Income-tax ..                                                | 13,051   |    |    | National and social security tax ..                       | 7,896    | 8  | 2  |
| National and social security tax ..                          | 2,824    |    |    | Commission ..                                             | 8,222    | 10 | 9  |
|                                                              | 15,875   | 0  | 0  | Salaries ..                                               | 25,522   | 15 | 0  |
|                                                              | 6,713    | 2  | 6  | Contribution to Public Service Superannuation Fund ..     | 232      | 5  | 0  |
|                                                              |          |    |    | Expenses of management ..                                 | 9,678    | 8  | 0  |
|                                                              |          |    |    | Further appropriation to reserve for unearned premiums .. | 72,813   | 5  | 9  |
|                                                              |          |    |    |                                                           | 360,317  | 16 | 9  |
|                                                              |          |    |    | Appropriation to Bonus Reserve ..                         | 30,000   | 0  | 0  |
|                                                              |          |    |    | Amount of Accident Funds, 31st December, 1943             | 430      | 13 | 9  |
|                                                              | £390,748 | 10 | 6  |                                                           | £390,748 | 10 | 6  |

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

| Liabilities                                                                                          | £          | s. | d. | Assets                                                                             | £          | s. | d. |
|------------------------------------------------------------------------------------------------------|------------|----|----|------------------------------------------------------------------------------------|------------|----|----|
| Accident Funds, as per Revenue Account ..                                                            | 430        | 13 | 9  | Government securities ..                                                           | 405,968    | 0  | 0  |
| Outstanding accident claims ..                                                                       | 154,062    | 0  | 0  | Local-authority securities ..                                                      | 162,576    | 2  | 11 |
| Government taxes ..                                                                                  | 147,534    | 9  | 0  | Rural Advances bonds ..                                                            | 4,725      | 0  | 0  |
| Commission ..                                                                                        | 937        | 11 | 0  | Fixed deposits and at short call ..                                                | 97,620     | 0  | 0  |
| Premium and other deposits ..                                                                        | 1,893      | 17 | 10 | Interest accrued but not due ..                                                    | 5,409      | 10 | 1  |
| Sundry creditors ..                                                                                  | 11,066     | 5  | 11 | Agents' balances ..                                                                | 70,843     | 1  | 6  |
| Reinsurance premiums due ..                                                                          | 707        | 13 | 0  | Sundry debtors, including Motor-vehicles Insurance (Third-party Risks) Act pool .. | 204,208    | 6  | 3  |
| Officers' Fidelity Fund ..                                                                           | 500        | 0  | 0  | Cash in hand on current account ..                                                 | 55,172     | 7  | 8  |
| Reserve for unearned premiums ..                                                                     | 207,200    | 14 | 0  |                                                                                    |            |    |    |
| Bonus Reserve ..                                                                                     | 30,000     | 0  | 0  |                                                                                    |            |    |    |
| Investment Fluctuation Reserve ..                                                                    | 70,000     | 0  | 0  |                                                                                    |            |    |    |
| Reinsurance Reserve ..                                                                               | 56,000     | 0  | 0  |                                                                                    |            |    |    |
| Bad Debts Reserve ..                                                                                 | 1,000      | 0  | 0  |                                                                                    |            |    |    |
| Reserve Fund constituted under section 6 of the Government Accident Insurance Amendment Act, 1924 .. | 325,189    | 3  | 11 |                                                                                    |            |    |    |
|                                                                                                      | £1,006,522 | 8  | 5  |                                                                                    | £1,006,522 | 8  | 5  |

31st May, 1944.

J. H. JERRAM, General Manager.  
R. H. NEWBOLD, 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.—  
CYRIL G. COLLINS, Controller and Auditor-General.

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