The Balance-sheet.—On the 31st December, 1913, the total assets of the Department amounted to £5,135,829, and were invested as shown in the following statement, which also gives the distribution of the assets at the end of the previous year for purposes of comparison:—

At 31st December, 1912. Amount.	At 31st December, 1912. Percentage of Total Assets.	Class of Investment.	At 31st December, 1913. Amount.	At 31st December, 1913. Percentage of Total Assets.
£			£	
3,045,274	61·2 per cent.	Mortgages on freehold property ..	3,154,213	61·4 per cent.
808,884	16·3 "	Loans on policies	842,132	16·4 "
668,089	13·4 "	Government securities..	665,900	13·0 "
171,169	3·4 "	Local bodies' debentures	174,236	3·4 "
136,586	2·8 "	Landed and house property	136,529	2·7 "
116,467	2·3 "	Miscellaneous assets	119,374	2·3 "
30,479	0·6 "	Cash in hand and on current account ..	43,445	0·8 "
4,976,948	100·0 per cent.	Total	5,135,829	100·0 per cent.

The above shows an increase of £108,939 in mortgages on freehold property and £33,248 in loans on policies. Overdue interest (which is included above in "Miscellaneous Assets") has decreased from £1,537 to £882, representing the extremely low rate of 7s. 9d. per cent. of the total interest income.

General.—I am pleased to report again that another year's progress of the Department, while not marked by any striking incidents, has been entirely satisfactory. Attention may be specially drawn to a few oustanding features: (1.) The new business has been well maintained. (2.) There have been substantial increases in the income, both from premiums and interest. (3.) The mortality experience has again been favourable. (4.) There has been a decrease in the expenses. (5.) An official valuation of all the policies as they stood at the end of last year disclosed increased profits for the two years of the current triennium which have elapsed, and affords the best of reasons for thinking that the results of the statutory triennial investigation of the assets and liabilities, to be made at the end of the present year, will prove satisfactory to the policyholders, and that they will again receive increased bonuses.

J. H. Richardson,
Government Insurance Commissioner.

Revenue Account of the Government Life Insurance Department for the Year ended 31st December, 1913.

	£ s. d.
Amount of Funds at 1st January, 1913	4,829,141 4 9
Renewal premiums — Assurance, Annuity, and Endowment	328,972 10 1
New premiums (including instalments of first year's premiums falling due in the year)	27,430 15 11
Single premiums—Assurance and Endowment	3,174 6 4
Consideration for Annuities	7,255 2 7
Interest	233,223 12 2
Fees	11 17 1
	£5,429,209 8 11

	£ s. d.	£ s. d.
Death claims under policies, Assurance, including bonus additions		154,631 16 4
Endowment Assurances matured, including bonus additions		132,029 13 11
Endowments matured		1,726 10 0
Premiums returned on endowments ..		296 18 6
Bonuses surrendered for cash ..		4,631 11 0
Annuities		17,812 9 2
Surrenders		22,338 16 4
Loans released by surrender		34,205 4 0
Commission, new* ..	£20,880 17 5	
" renewal	2,623 10 5	
		23,504 7 10
Land and income tax		15,353 9 4
Expenses of management—		
Salaries—		
Head Office ..	£17,885 15 2	
Branch offices and agents	8,159 10 1	
Extra clerical assistance	66 19 9	
Medical fees and expenses	4,978 12 8	
Travelling-expenses ..	925 12 11	
Advertising	1,173 9 2	
Printing and stationery	1,493 16 1	
Rent	2,855 3 3	
Postage and telegrams	1,629 0 11	
Exchange	111 18 4	
Office-furniture depreciation	270 9 3	
General expenses ..	2,496 16 2	
Triennial expenses ..	500 0 0	
		42,547 3 9
Amount of Funds, 31st December, 1913		4,980,131 8 9
		£5,429,209 8 11

* Including Agents' allowances.