

*The Balance-sheet.*—On the 31st December, 1916, the total assets of the Department amounted to £5,481,732, 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, 1915. |                             |                                         | At 31st December, 1916. |                             |  |
|-------------------------|-----------------------------|-----------------------------------------|-------------------------|-----------------------------|--|
| Amount.                 | Percentage of Total Assets. | Class of Investment.                    | Amount.                 | Percentage of Total Assets. |  |
| £                       |                             |                                         | £                       |                             |  |
| 3,312,413               | 61·9 per cent.              | Mortgages on freehold property ...      | 3,227,796               | 58·9 per cent.              |  |
| 832,301                 | 15·6 "                      | Loans on policies ...                   | 809,533                 | 14·8 "                      |  |
| 685,900                 | 12·8 "                      | Government securities ...               | 855,900                 | 15·6 "                      |  |
| 204,019                 | 3·8 "                       | Local bodies' debentures ...            | 210,487                 | 3·8 "                       |  |
| 134,963                 | 2·5 "                       | Landed and house property ...           | 134,930                 | 2·5 "                       |  |
| 125,108                 | 2·3 "                       | Miscellaneous assets...                 | 131,882                 | 2·4 "                       |  |
| 55,834                  | 1·1 "                       | Cash in hand and on current account ... | 111,204                 | 2·0 "                       |  |
| 5,350,538               | 100·0 per cent.             | Total ...                               | 5,481,732               | 100·0 per cent.             |  |

It will be noticed that Government securities have increased by £170,000, represented by the final instalment (£20,000) of the Department's Life Branch subscription to the 1915 local loan, and £150,000 out of £200,000 of the war bonds subscribed in 1916. The final instalment of these war bonds (£50,000) was paid over when it became due early in the present year.

The rate of interest realized on the mean funds, after the deduction of land and income tax from interest, was £4 15s. 1d. per cent.

*The Staff.*—In common with those of other institutions the Department's staff has been seriously depleted by the enlistments of its officers in the New Zealand Expeditionary Forces. The total number who had enlisted up to the end of last year was thirty-three, whilst during the present year eleven more gentlemen have gone into camp or are on the point of being called up. It has been the consistent aim of the Department to encourage its officers to respond to the call of duty, and in spite of serious inconveniences no applications for exemption from service have hitherto been made on behalf of any members of the staff. Unfortunately the situation has become seriously aggravated by numerous transfers of experienced officers to other Departments of the Public Service, but the Department will endeavour to continue its past policy as regards enlistments, and will not appeal for the exemption of any of its remaining officers from military service so long as it can possibly avoid doing so.

J. H. RICHARDSON,  
Government Insurance Commissioner.

REVENUE ACCOUNT OF THE GOVERNMENT LIFE INSURANCE DEPARTMENT FOR THE YEAR ENDED  
31ST DECEMBER, 1916.

| £ s. d.                                                                                  |           |      | £ s. d.                                                              |            |      |
|------------------------------------------------------------------------------------------|-----------|------|----------------------------------------------------------------------|------------|------|
| Amount of Funds at 1st January, 1916                                                     | 5,089,868 | 12 8 | Death claims under policies, Assurance, including bonus additions .. | 225,294    | 17 6 |
| Renewal premiums—Assurance, Annuity, and Endowment ..                                    | 350,397   | 4 6  | Endowment Assurances matured, including bonus additions ..           | 160,234    | 6 11 |
| New premiums (including instalments of first year's premiums falling due in the year) .. | 26,867    | 4 3  | Endowments matured ..                                                | 3,357      | 5 0  |
| Single premiums—Assurance and Endowment ..                                               | 1,578     | 18 8 | Premiums returned on endowments ..                                   | 153        | 12 0 |
| Consideration for Annuities ..                                                           | 10,767    | 4 2  | Bonuses surrendered for cash ..                                      | 2,400      | 4 6  |
| Interest .. £256,504                                                                     | 15 8      |      | Annuities ..                                                         | 18,835     | 15 2 |
| Less land and income tax ..                                                              | 11,948    | 14 3 | Surrenders ..                                                        | 14,764     | 13 4 |
|                                                                                          | 244,556   | 1 5  | Loans released by surrender ..                                       | 34,141     | 10 9 |
|                                                                                          |           |      | Commission, new* .. £19,004                                          | 9 5        |      |
|                                                                                          |           |      | " renewal ..                                                         | 2,813      | 9 7  |
|                                                                                          |           |      |                                                                      | 21,817     | 19 0 |
|                                                                                          |           |      | Expenses of management—                                              |            |      |
|                                                                                          |           |      | Salaries—                                                            |            |      |
|                                                                                          |           |      | Head Office .. £17,572                                               | 19 5       |      |
|                                                                                          |           |      | Branch offices and agents ..                                         | 8,072      | 15 3 |
|                                                                                          |           |      | Extra clerical assistance ..                                         | 837        | 7 0  |
|                                                                                          |           |      | Medical fees and expenses ..                                         | 4,128      | 9 6  |
|                                                                                          |           |      | Travelling expenses ..                                               | 384        | 3 3  |
|                                                                                          |           |      | Advertising ..                                                       | 579        | 13 8 |
|                                                                                          |           |      | Printing and stationery ..                                           | 1,233      | 9 7  |
|                                                                                          |           |      | Rent ..                                                              | 2,841      | 10 1 |
|                                                                                          |           |      | Postage and telegrams ..                                             | 1,837      | 0 2  |
|                                                                                          |           |      | Exchange ..                                                          | 59         | 8 10 |
|                                                                                          |           |      | General expenses ..                                                  | 2,289      | 18 9 |
|                                                                                          |           |      | Triennial expenses ..                                                | 300        | 0 0  |
|                                                                                          |           |      |                                                                      | 40,136     | 15 6 |
|                                                                                          |           |      | Amount of Funds, 31st December, 1916                                 | 5,202,898  | 6 0  |
|                                                                                          |           |      |                                                                      | £5,724,035 | 5 8  |

\* Including Agents' allowances.