Retiring and other Allowances.—Pensions for £16,056 17s. per annum were granted during the year as follows: For age or length of service, £13,495 16s. per annum to eighty-three members (eighty-one male and two female members); for medical unfitness for duty, £828 1s. to fifteen members (fourteen male and one female members); to widows and children of deceased members £810 per annum to forty-five widows, and £923 per annum to seventy-one children.

The largest retiring-allowance granted during the year to a contributor was £506 3s., and the smallest £7 4s. per annum, while the average was £146.

Those officers who retired during the year would have been entitled to receive the sum of £23,401 6s. 11d. accrued compensation under the Civil Service Act, 1866, had they not become participants in the benefits of the Superannuation Fund, making a total of £364,531 12s. 2d. since the initiation of the scheme, for which the Consolidated Fund would otherwise have been liable. This amount may fairly be set against the subsidies paid to the fund, amounting to £482,500.

Sixty-three retiring-allowances were discontinued by death, and fifty for other causes—viz., eight widows remarried and forty-two children reached the age of fourteen.

The annual amount payable at the close of the year was £120,469 11s. 10d., as shown in the statement attached.

Income.—The total income for the year was made up as follows:—

	£
Members' ordinary contributions	176,904
Transferred from other funds	325
Contributions from Government	86,000
Fines, &c.	335
Interest	63,848
Total income for year	£327,412

Outgo.—The pensions paid during the year to contributors who have retired and to dependants of deceased contributors amounted to £113,399 9s. 5d.—viz., £100,641 3s. 2d. to members, and £12,758 6s. 3d. to widows and children.

Refunds of contributions to contributors who have left the service amounted to £34,946 3s. 1d., while the refunds under section 42 to personal representatives of deceased contributors amounted to £9,278 15s. 7d.

Six contributors who were retired elected to accept a refund of their contributions under section 38, amounting to £1,028 2s. 10d., in lieu of retiring-allowances. Refunds of contributions under section 32 (*ee*), owing to the death of contributors while in the Public Service who were entitled to compensation from the Consolidated Fund, amounted to £1,424 4s. 5d. during the year. Other refunds under section 32 amounted to £1,449 17s. 11d.

Four contributors were transferred to other funds in accordance with the provisions of section 48 of the Amendment Act of 1908, and their contributions, amounting to £228 9s. 11d., were accordingly transferred to such other funds. The salaries of the staff (excluding that of the Secretary, paid out of the Consolidated Fund, as provided under section 25 of the Act) and other office expenses were £1,120 17s. 9d. and £330 13s. 1d. respectively. The Public Trustee's commission on interest collected amounted to £1,596 3s. 11d. Medical fees for reports under section 36 amounted to £67 4s. The total outgo for the year was £164,920 1s. 11d.

Accumulated Funds.—These amounted at the end of the year to £1,288,197 10s. 2d., being an increase of £162,491 19s. 10d. as compared with the previous year.

Balance-sheet.—On the 31st December the total assets of the fund, which include provision for the outstanding accounts, amounted to £1,299,495 9s. 5d. The Balance-sheet appended gives full particulars as to the liabilities and assets.

Investment of the Fund.—During the year the sum of £25,000 was invested in 4½-per-cent. inscribed stock, war loan, whilst the balance of the investments were in mortgage securities at 5½ per cent. The total investments of the fund at each rate of interest were as follows:—

	£	£
Inscribed stock—4½ per cent.	55,000	
Debenture securities:—		
4½ per cent.	46,350	
5 per cent.	46,955	
5¼ per cent.	11,423	
5½ per cent.	6,100	
		165,828
Mortgage securities:—		
5 per cent.	6,628	
5½ per cent.	1,024,913	
6 per cent.	6,039	
		1,037,580
Total		£1,203,408

The rate of interest earned on the mean funds was £5 5s. 10d. per cent., compared with a return of £5 4s. 1d. per cent. for the previous year, £5 3s. 3d. for 1917, and £5 1s. 2d. per cent. for 1916.