1931.
NEW ZEALAND.

STATE FIRE INSURANCE OFFICE.

ANNUAL REPORT OF THE GENERAL MANAGER FOR THE YEAR ENDED 31ST DECEMBER, 1930.

Presented to both Houses of the General Assembly pursuant to the Provisions of the State Fire Insurance Act, 1908.

State Fire Insurance Office, Wellington, 1st June, 1931.

I HAVE the honour to submit the twenty-sixth annual report of the State Fire Insurance Office, for the year ended 31st December, 1930, with the Revenue Account and Balance-sheet.

The following are the comparative figures for the last three years :—

	1928.	1929.	1930.
Income—	£	£	£
Premiums	211,634	217,990	221,909
Other receipts, less land-tax	40,459	41,003	49,508
Profit on realization of investments	..	..	794
Outgo—			
Bonus rebate to policyholders	26,421	27,208	27,001
Claims..	81,585	75,316	90,001
	Per Cent.	Per Cent.	Per Cent.
Ratio of claims to premium income	38·55	34·55	40·56
Working-expenses (exclusive of income-tax and Fire Board contributions)	£ 49,804	£ 52,194	£ 52,624
Fire Board contributions..	7,283	7,709	8,027
Income-tax	9,789	15,746	21,153
Ratio of working-expenses (exclusive of income-tax and Fire Board contributions) to premium income	Per Cent. 23·54	Per Cent. 23·94	Per Cent. 23·71
Ratio of Fire Board contributions to premium income	3·44	3·54	3·62
Ratio of income-tax to premium income	4·63	7·22	9·53
	£	£	£
Carried to reserve for unearned premiums	1,609	2,542	1,567
Surplus, apportioned as follows :—	£	£	£
Reinsurance Reserve Fund	10,000	10,000	15,000
Bonus Rebate Reserve	1,000	1,000	500
Written off Office premises	3,000	4,000	5,000
Investment Fluctuation Reserve Fund	..	6,000	6,000
Reserve Fund	61,600	57,276	45,336
Total	£75,600	£78,276	£71,836
Reserves and funds at 31st December	£744,271	£821,090	£889,494

The claim ratio for 1930 was substantially higher than for the previous year, partly due, no doubt, to depressed financial conditions and the uncertain values of all kinds of insurable property.

The State Fire rebate, which was again fixed at 12½ per cent., has been since 1923 the means of conceding directly £181,297 to State Fire policy holders, and indirectly over £2,000,000 to the insuring public generally.

The gross surplus, £71,836, after providing £21,153 for income-tax, must, under the difficult conditions which prevailed during the year, be considered satisfactory, and enables substantial additions to be made to reserve funds necessary to render the Office in times of abnormal losses financially independent of the Consolidated Fund.

J. H. JERRAM, General Manager.

Revenue Account of the State Fire Insurance Office for the Year ended 31st December, 1930.

	£	s.	d.	£	s.	d.
Premiums after deduction of reinsurances ..				221,909	19	3
Profit on realization of investments				794	4	3
Other receipts—Interest, commission, and rent ..	51,732	0	8			
Less land-tax	2,223	7	2			
				49,508	13	6
				£272,212	17	0

	£	s.	d.	£	s.	d.
Bonus rebate to policyholders				27,001	14	0
Losses by fire (after deduction of reinsurances) ..				90,001	2	2
Appropriated to reserve for unearned premiums (in addition to £87,196 6s. 8d. already reserved)				1,567	13	0
Income-tax				21,153	14	9
Commission				10,838	13	7
Salaries				28,175	13	1
Contribution to Public Service Superannuation Fund				942	9	5
Contributions to Fire Boards under the Fire Brigades Act, 1908				8,027	13	5
Expenses of management—						
Travelling-expenses	1,807	7	0			
Printing, stationery, and advertising	1,382	7	1			
Rent	1,779	3	8			
Exchange	43	11	10			
Postages, telegrams, cablegrams, and sundry charges ..	3,252	3	4			
				8,264	12	11
Office equipment				1,131	5	6
Office premises—Depreciation				3,271	15	11
				200,376	7	9
Investments Fluctuation Reserve Fund ..				6,000	0	0
Reinsurance Reserve Fund				15,000	0	0
Bonus Rebate Reserve				500	0	0
Office premises—Written off				5,000	0	0
Amount of fire-insurance funds at end of year ..				45,336	9	3
				£272,212	17	0

Balance-sheet of the State Fire Insurance Office on the 31st December, 1930.

Liabilities.

	£	s.	d.	£	s.	d.
Capital authorized by the State Fire Insurance Act, 1908	100,000					
Less not raised	100,000					
				Nil.		
Reserve Fund				644,394	5	11
Investments Fluctuation Reserve Fund ..				22,000	0	0
Reserve for unearned premiums				88,763	19	8
Bonus Rebate Reserve				29,000	0	0
Reinsurance Reserve Fund				60,000	0	0
Premium and other deposits				1,061	0	0
Outstanding fire losses				6,052	0	0
Government taxes				21,153	14	9
Sundry creditors				10,019	2	8
Other amounts owing by the Office—						
Reinsurance premiums due ..	174	10	6			
Commission..	1,727	12	7			
Printing, stationery, and advertising	16	3	11			
Postages and sundry charges ..	1,877	11	3			
				3,795	18	3
Fire-insurance funds, as per Revenue Account ..				45,336	9	3
				£931,576	10	6

Assets.

	£	s.	d.	£	s.	d.	£	s.	d.
Government war-loan securities							112,140	11	3
Other Government securities							264,950	0	0
Local-authority securities							132,550	10	9
Rural Advances bonds							14,175	0	0
Rural Intermediate Credit bonds							20,000	0	0
Fixed deposits and at short call							110,000	0	0
Land and buildings							204,671	8	5
Outstanding premiums							8,618	2	1
Interest accrued but not due..							10,404	18	1
Rent accrued or due							247	18	10
Rent overdue							189	3	2
Sundry debtors							579	6	8
Cash in Bank of New Zealand at Wellington, or in transit to Wellington				52,805	1	8			
Imprest Account balances—									
Head Office ..	38	14	5						
Auckland ..	1	10	11						
Hamilton ..	0	0	3						
New Plymouth ..	2	14	9						
Palmerston North	2	18	5						
Napier	8	2	1						
Nelson	17	1	6						
Christchurch ..	36	16	10						
Timaru	2	8	3						
Dunedin.. ..	78	15	4						
Invercargill ..	55	6	10						
				244	9	7			
							53,049	11	3
							£931,576	10	6

J. H. Jerram, General Manager.
C. B. Redward, Accountant.

30th April, 1931.

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.—G. F. C. Campbell, Controller and Auditor-General.

Approximate Cost of Paper.—Preparation, not given; printing (1,775 copies), £4.

By Authority: W. A. G. Skinner, Government Printer, Wellington.—1931.

Price 3d.]