

3. The State Fire Office has now been established for thirty-one years, and has paid in claims the large sum of £1,667,000. It was the first competitive State Fire Office in the world, and started with a borrowed capital of £2,000, long since repaid with interest. As an immediate consequence of its operations, rates were reduced by an average of 25 per cent., and since 1923 premiums have been further reduced through the declaration annually of State Fire rebates. The total saving to the people of the Dominion as a direct result of the competition of the State Fire Office is estimated at not less than £13,500,000.

Throughout its history the State Fire Office has shown results, particularly as regards loss-ratio and expenses of management, which compare favourably with the very best achieved by its competitors.

In the face of the keenest competition the State Fire Office has built up the largest fire premium income in the Dominion, and is gradually accumulating substantial reserves, which are essential if the Office is to render its fullest service to the community in providing both fire and earthquake insurance at the lowest cost.

4. It is with much pleasure that I record a continuance of enthusiastic and loyal assistance from all members of the staff, whose service to the public maintains the reputation of the Office on a high level.

J. H. JERRAM, General Manager.

REVENUE ACCOUNT OF THE STATE FIRE INSURANCE OFFICE FOR THE YEAR ENDED 31ST DECEMBER, 1935.

	£	s.	d.		£	s.	d.
Premiums after deduction of reinsurances	199,898	7	2	Bonus rebate to policyholders	41,233	6	2
Premium on conversion of securities	328	12	4	Losses by fire and earthquake (after deduction of reinsurances)	53,151	0	4
Other receipts—				Income-tax	23,641	1	6
Interest, commission, and rent	39,659	0	6	Commission	8,479	19	6
Less land-tax	356	2	6	Salaries	28,742	10	7
	39,302	18	0	Contribution to Public Service Superannuation Fund	533	13	8
				Contribution to Fire Boards under the Fire Brigades Act, 1908	7,994	2	9
				Expenses of management—			
				Travelling-expenses	2,796	8	4
				Printing, stationery, and advertising	1,453	18	7
				Rent	1,440	3	3
				Exchange	42	19	0
				Postages, telegrams, cable-grams, and sundry charges	4,063	14	9
					9,797	3	11
				Office equipment	3,015	13	1
				Office premises: Depreciation	3,210	0	0
					179,798	11	6
				Bonus Rebate Reserve	30,000	0	0
				Office premises—Written off	27,000	0	0
				Amount of fire-insurance funds at end of year	2,731	6	0
					£239,529	17	6
					£239,529	17	6

BALANCE-SHEET OF THE STATE FIRE INSURANCE OFFICE ON THE 31ST DECEMBER, 1935.

	£	s.	d.		£	s.	d.
Capital authorized by the State Fire Insurance Act, 1908	100,000			Government securities	540,807	8	2
Less not raised	100,000			Local-authority securities	189,227	5	8
				Rural Advances bonds	14,175	0	0
				Fixed deposits and at short call	187,000	0	0
Bad Debts Reserve	1,500	0	0	Land and buildings	131,276	13	11
Reserve Fund	742,941	18	5	Outstanding premiums	10,499	3	9
Investments Fluctuation Reserve Fund	59,000	0	0	Interest accrued but not due	11,020	12	2
Reserve for Unearned Premiums	104,246	9	11	Rent accrued or due	3,076	8	8
Bonus Rebate Reserve	79,000	0	0	Rent overdue	26	8	7
Reinsurance Reserve Fund	60,000	0	0	Cash in Reserve Bank of New Zealand at Wellington, or in transit to Wellington	51,533	1	0
Premium and other deposits	922	1	7	Imprest Account balances: Head Office and branches	305	13	7
Outstanding fire and earthquake losses	2,054	0	0		51,838	14	7
Government taxes	48,641	1	6				
Sundry creditors	25,353	11	6				
Other amounts owing by the Office—							
Reinsurance premiums due	8,265	1	3				
Commission	1,414	12	4				
Printing, stationery, and advertising	13	15	3				
Postages and sundry charges	2,863	17	9				
	12,557	6	7				
Fire-insurance funds, as per Revenue Account	2,731	6	0				
	£1,138,947	15	6		£1,138,947	15	6

J. H. JERRAM, General Manager.

L. H. OSBORN, 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.—G. F. C. CAMPBELL, Controller and Auditor-General.

Approximate Cost of Paper.—Preparation, not given; printing (1,804 copies), £3 15s.

By Authority: G. H. LONEY, Government Printer, Wellington.—1936.

Price 3d.]