

1943

## NEW ZEALAND

## STATE FIRE INSURANCE OFFICE

ANNUAL REPORT OF THE GENERAL MANAGER FOR THE YEAR ENDED 31ST DECEMBER, 1942

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

State Fire Insurance Office, Wellington, 30th March, 1943.

I HAVE the honour to submit the thirty-eighth annual report of the State Fire Insurance Office, for the year ended 31st December, 1942, with the Revenue Account and Balance-sheet.

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

	1940.		1941.		1942.	
	£	£	£	£	£	£
Income—						
Premiums .. .. .	218,253		222,458		222,081	
Other receipts, less land-tax .. ..	50,258		47,237		58,638	
	<u>268,511</u>		<u>269,695</u>		<u>280,719</u>	
Outgo—						
Bonus rebate to policyholders .. ..	41,922		45,587		44,124	
Claims .. .. .	31,617		28,896		34,234	
Working-expenses (exclusive of income-tax and Fire Board contributions) .. ..	58,542		56,128		58,232	
Fire Board contributions .. .. .	12,124		13,977		15,618	
Income-tax .. .. .	66,564		70,476		75,270	
National and social security tax .. ..	19,783		15,276		16,214	
Loss on realization of securities .. ..			246			
Carried to reserve for unearned premiums ..	4,880		2,102			
	<u>235,432</u>		<u>232,688</u>		<u>243,692</u>	
Surplus, apportioned as follows:—						
Written off Office premises .. .. .	23,000		21,000		20,000	
Reserve Fund .. .. .			16,007		17,027	
Bonus Rebate Reserve .. .. .	10,079					
Reinsurance Reserve .. .. .						
Investments Fluctuation Reserve .. ..						
	<u>33,079</u>		<u>37,007</u>		<u>37,027</u>	
Total .. .. .	<u>268,511</u>		<u>269,695</u>		<u>280,719</u>	
Reserves and funds at 31st December ..	<u>1,206,134</u>		<u>1,224,244</u>		<u>1,241,271</u>	
	Per Cent.		Per Cent.		Per Cent.	
Ratio of claims to premium income .. ..	14.49		12.99		15.41	
Ratio of working-expenses (exclusive of income-tax and Fire Board contributions) to premium income .. .. .	26.82		25.23		26.22	
Ratio of Fire Board contributions to premium income .. .. .	5.55		6.28		7.03	
Ratio of income-tax and National and Social Security tax to total income .. .. .	32.16		31.8		32.59	

The essential work of the Office has been maintained under difficult staff conditions. Out of the pre-war male staff of 171 fire and accident officers, only 71 now remain. With the loss of so many highly trained and experienced officers, coupled with transport restrictions, all work of an active competitive character has been severely curtailed, and the maintenance of premium income on the same level as for the previous year may be regarded as satisfactory under the circumstances. The following war measures are administered by the Office:—

- (1) Marine Insurance (War Risks) Emergency Regulations 1942:
- (2) Detention Allowances for Captured Seamen's Fund.

In addition, the General Manager, as Deputy Chairman of the War Damage Commission, and the Secretary, as Secretary to the War Damage Commission, devote part-time service to the administration of the War Damage Act, 1941.

I again wish to express thanks to the Managers and staff, both fire and accident, for their helpful co-operation under unavoidably difficult conditions.

J. H. JERRAM, General Manager.

## REVENUE ACCOUNT OF THE STATE FIRE INSURANCE OFFICE FOR THE YEAR ENDED 31ST DECEMBER, 1942

	£	s.	d.		£	s.	d.
Premiums after deduction of reinsurances ..	222,081	0	8	Bonus rebate to policyholders ..	44,123	16	9
Other receipts—	£	s.	d.	Losses by fire and earthquake (after deduction of reinsurances) ..	34,233	15	1
Interest, commission, and rent	60,820	19	10	Income-tax ..	43,845	10	8
Less land and income tax				National and social security tax ..	9,400	12	4
£33,608, and national and social security tax £6,813	40,421	0	0	Commission ..	9,826	13	10
				Salaries ..	28,699	15	2
			20,399 19 10	Contribution to Public Service Superannuation Fund ..	450	10	10
				Contribution to Fire Boards under the Fire Brigades Act, 1908 ..	15,617	19	8
				Expenses of management—	£	s.	d.
				Travelling-expenses ..	1,424	7	3
				Printing, stationery, and advertising ..	1,284	7	9
				Rent ..	3,575	9	7
				Exchange ..	55	9	1
				Postages, telegrams, cablegrams, and sundry charges ..	5,114	6	4
					11,454	0	0
				Office equipment ..	2,309	0	0
				Office premises : Depreciation ..	5,492	4	0
					205,453	18	4
				Office premises : Written off ..	20,000	0	0
				Amount of fire-insurance funds at end of year ..	17,027	2	2
					£242,481	0	6
					£242,481	0	6

BALANCE-SHEET OF THE STATE FIRE INSURANCE OFFICE ON THE 31ST DECEMBER, 1942

<i>Liabilities</i>			£	£	s.	d.	<i>Assets</i>			£	s.	d.
Capital authorized by the State Fire Insurance Act, 1908 .. ..	100,000						Government securities .. ..	765,357	12	0		
Less not raised .. ..	100,000						Local-authority securities .. ..	226,564	8	7		
							Rural Advances bonds .. ..	14,175	0	0		
							Fixed deposits and at short call .. ..	110,000	0	0		
Bad Debts Reserve .. ..		1,500	0	0			Land and buildings .. ..	226,125	5	2		
Reserve Fund .. ..		763,936	4	3			Outstanding premiums .. ..	18,422	19	2		
Investments Fluctuation Reserve Fund .. ..		85,000	0	0			Interest accrued but not due .. ..	10,333	1	1		
Reserve for unearned premiums .. ..		111,229	4	2			Rent accrued or due .. ..	15,432	8	0		
Bonus Rebate Reserve .. ..		122,578	17	0			Cash in Reserve Bank of New Zealand at Wellington, or in transit to Wellington .. ..	156,682	17	6		
Reinsurance Reserve Fund .. ..		140,000	0	0			Imprest Account balances: Head Office and branches .. ..	4,009	11	4		
Premium and other deposits .. ..		3,703	12	7								
Outstanding fire and earthquake losses .. ..		8,091	0	0								
Government taxes .. ..		166,483	18	9								
Sundry creditors .. ..		109,063	9	2								
Other amounts owing by the Office—	£	s.	d.									
Reinsurance premiums due .. ..	14,516	2	7									
Commission .. ..	2,259	8	8									
Printing, stationery, and advertising .. ..		27	5	10								
Postages and sundry charges .. ..	1,686	17	8									
				18,489	14	9						
Fire-insurance funds, as per Revenue Account .. ..				17,027	2	2						
				£1,547,103	2	10						

J. H. JERRAM, General Manager.

R. H. NEWBOLD, Deputy General Manager.

24th May, 1943.

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.—  
C. G. COLLINS, Controller and Auditor-General.

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