ACCIDENT INSURANCE BRANCH OF THE STATE FIRE INSURANCE OFFICE

(ANNUAL REPORT ON THE) FOR THE YEAR ENDED 31st DECEMBER, 1942

Presented to both Houses of the General Assembly pursuant to Section 22 of the Government Accident Insurance Act, 1908

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

I have the honour to submit the forty-second annual report of the Government Accident Insurance Office for the year ended 31st December, 1942, together with the Revenue Account and Balance-sheet.

The following comparison with the previous two years shows the position briefly:—

	1940.	1941.	1942.	
Income-	££	££	£	
Premiums from all classes of accident insurance	259,399	26 8,775	232,241	
Interest	00 888	19,771	22,364	
Profit on realization of securities	••	• •	18	
	279,956	288,546	<u>254,623</u>	
Outgo-				
Bonus and sums accrued under profit-sharing				
schemes	4,000	6,920	3,746	
Claims	138,000	134,208	122,826	
Working-expenses (exclusive of income-tax)	42,185	42,442	38,172	
Carried to reserve for unearned premiums		3,826		
Income-tax	52,018	65,087	68,930	
National and social security tax	13,063	12,784	13,797	
Loss on realization of securities	••	2,146		
	249,266	$-\!-\!-\!267$, 413	247,471	
Surplus, apportioned as follows:—				
Investment Fluctuation Reserve	10,000		•••	
Reserve Fund	20,690	21,133		
	30,690	21,133	7,152	
Total	${279,956}$	288,546	$\frac{-}{254,623}$	
10041,	210,000	==	201,020	
Reserves and funds as at 31st December	554,966	579,925	587,077	
Ratio of claims (all classes of business) to premium		Per Cent.	Per Cent.	
income	$53 \cdot 2$	$49 \cdot 93$	$52 \cdot 89$	
Ratio of working-expenses (exclusive of income-				
tax) to premium income	$16 \cdot 26$	$15 \cdot 79$	$16 \cdot 43$	
Ratio of underwriting surplus to premium income	$9 \cdot 68$	$5 \cdot 66$	-21	

The reduction in premium income is due entirely to the fall in premiums derived from motor-vehicles insurance. Owing to an alteration in the registration date, the income for 1941 covered thirteen months' premiums under the Motor-vehicles Insurance (Third-party Risks) Act, 1928, whereas the income for 1942 from the same source is for a normal period of twelve months. Also, due to war conditions there has been a lessened demand for motor-vehicle cover, and in addition greatly-reduced premiums have been charged both for comprehensive and third-party insurances.

The comments made in the Fire Branch annual report as regards staffing difficulties and extra duties arising out of the administration of war measures apply with equal force to the Accident Branch, and I once again desire to thank all officers for their helpful co-operation under unavoidably difficult conditions.

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

		£ s. d.		£	s. C	а.
Premiums after deduction of reins	$\begin{array}{ccc} \text{urances} & \dots \\ & \text{£} & \text{s. d.} \end{array}$	232,240 16 2	schemes	3,746	1	8
Interest	22,363 18 9		Claims	22,826		-
Less— £	,		Theome-tax	56,008		
Income-tax 12,921			11000001101	$\frac{11,000}{7,811}$		
National and social			Commission Salaries	22,100		
security tax 2,796	15,717 0 0		Contribution to Public Service Superannuation	,		
	15,717 0 0	6,646 18 9			10	
Profit on realization of securities		17 18 4	Expenses of management	8,044	16	3
				231,753		
			Amount of Accident Funds, 31st December, 1942	7,151	18	7
		£238,905 13	'	238,905		
			= 1			

Balance-sheet of the Accident Branch of the State Fire Insurance Office as on the 31st December, 1942

Diminor bilder of the											
Liabili	ties	£	s.	d.	1	Assets	8		£	s.	
Accident Funds, as per Revenue Ac		7,151		7	Government securities				337,406	0	0
Accident Finds, as per revenue re		111 000		Ó	Local-authority securities				181,253	-8	7
Outstanding accident claims		140 070		9					4,725	0	0
Government taxes		070		4		call			97,620	0	0
Commission	• • • • • • • • • • • • • • • • • • • •								4,959	1	5
Premiums and other deposits	• • • • • • • • • • • • • • • • • • • •	1,478	10	0					8,055	$1\overline{2}$	10
Sundry creditors					Agents' balances		or voh		0,000		•
Reinsurance premiums due				-8	Sundry debtors, includi	ng mroc	ot mool		181,604	Q	в
Officers' Fidelity Fund				-		Alsks) A	er boor	• •			
Reserve for uncarned premiums		134,387	- 8	3	Cash in hand on current ac	count	• •	• •	47,061	1.1	U
Investment Fluctuation Reserve		70,000	0	0							
Reinsurance Reserve		56,000	0	0							
Bad Debts Reserve		1,000	0	0							
Reserve Fund constituted under s											
Government Accident Insurance	a Amendment	t									
	e minimumon	318,037	- 5	4							
Act, 1924	••	. 510,001									
		£862,685	,	10	1				£862,685	2	10
		2002,000									
					'						

24th May, 1943.

J. H. JERRAM, General Manager.

R. H. NEWBOLD, 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.—C. G. Collins, Controller and Auditor-General.

Approximate Cost of Paper.—Preparation, not given; printing (1,778 copies), £4 15s.