1948 NEW ZEALAND

STATE FIRE INSURANCE OFFICE

ANNUAL REPORT OF THE GENERAL MANAGER FOR THE YEAR ENDED 31st DECEMBER, 1947

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, 1948.

I have the honour to submit the forty-third annual report of the State Fire Insurance Office, for the year ended 31st December, 1947, with the Revenue Account and Balance-sheet.

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

Income— Premiums	203,494	$ \begin{array}{ccc} £ & £ \\ 228,429 \\ 124,889 \end{array} $	$\begin{array}{ccc} \pounds & \pounds & £ \\ 262,658 & & \\ 83,504 & & & \end{array}$
Outgo— Bonus rebate to policyholders Claims Working-expenses (exclusive of income-tax and Fire Board contributions) Fire Board contributions Income-tax National and social security tax Carried to reserve for unearned premiums Office equipment (balance)	36,900 55,958 16,418 72,746 12,596	58,483 $70,847$ $17,236$ $74,242$	10,000
Surplus, apportioned as follows:— Written off Office premises	$\begin{array}{c} 20,000 \\ 32,171 \\ \end{array}$	$\begin{array}{c} 20,000 \\ 72,917 \\ \end{array}$	$\begin{array}{c} 20,000 \\ 37,219 \\ 57,219 \end{array}$
Total	<u> </u>	37,187	
Reserves and funds at 31st December	1,300,785	1,375,398	1,429,731
	Per Cent.	Per Cent.	Per Cent.
Ratio of claims to premium income Ratio of working-expenses (exclusive of income-tax and Fire Board contributions)	•	$25 \cdot 6$	$17 \cdot 97$
to premium income Ratio of Fire Board contributions to premium	$27 \cdot 5$	$31 \cdot 02$	28 · 41
income Ratio of income-tax and national and socia	$8 \cdot 07$	$7 \cdot 55$	$6 \cdot 40$
security tax to total income		$24 \cdot 6$	$25 \cdot 75$

- (1) The premium income of £262,658 is the largest recorded in the history of the Office, and shows an increase of £34,229 for the year.
- (2) As a result of the favourable loss experience the bonus rebate of 10 per cent. for wood risks and 15 per cent. for brick risks was increased to 20 per cent. off all renewal premiums as from 1st November, 1947, on both wood and brick risks.
- (3) Working-expenses at 28·41 per cent. show a reduction of 2·61 per cent., despite increasing administrative costs.
- (4) Shortage of experienced staff and limited transport facilities severely curtailed work of an active competitive nature, but service to policyholders and to the Dominion in giving attention to the rapidly increasing business was maintained notwithstanding these difficulties.
- (5) I desire to place on record appreciation of the executive officers and staff of the Office in achieving the excellent results recorded in the accounts.

REVENUE ACCOUNT OF THE STATE FIRE INSURANCE OFFICE FOR THE YEAR BNDED 31ST DECEMBER, 1947

Bonus rebate to policyholders 34,058 14 Losses by five and earthquake (after deduction of 47 194 4	underwriting account tax on underwriting account	·· · · · · · · · · · · · · · · · · · ·	16,	-:0# -:0%	sundry charges 2,292 18 5 6.893	::	Keserve for unearned premiums 11,114 10 246,008 10	Office premises: Written off 20,000 Office premises: Written off at end of year37,219	£303,227 11
Premiums after deduction of reinsurances 262,657 10 10 Other receipts— Interest commission rent and t s d	exchange 84,887 19 5 Less tax on interest, commission,	rent, and exchange— Land and income g s. d. tax tax	Social security tax 5,616 0 45,142 19 2	Profit on realization of securities $\dots \dots \dots$					4303,227 11 1

Balance-sheet of the State Fire Insurance Office on the 31st December, 1947

Act. 1908
moe £ £ s. d.

R. H. Newbold, General Manager. T. L. Seator, 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.—J. P. RUTHERFORD, Controller and Auditor-General.

31st May, 1948.

Approximate Cost of Paper.—Preparation, not given; printing (1,873 copies), £10 10s.

By Authority: E. V. PAUL, Government Printer, Wellington.--1948,