

1901.
NEW ZEALAND.

ANNUAL REPORT

OF THE

GOVERNMENT INSURANCE COMMISSIONER

FOR THE YEAR ENDED 31st DECEMBER, 1900.

Presented to both Houses of the General Assembly pursuant to the provisions of the Acts relating to Government Life Insurance.

Government Insurance Office,
Wellington, 16th July, 1901.

I HAVE the honour to submit my report for the past year, together with the accounts and return of policies issued and discontinued.

NEW BUSINESS.

During the year 4,262 proposals were received, for the sum of £879,005, of which 321 proposals were declined or deferred; of the remainder, 3,201, assuring £650,129, were completed. The annual premiums on these new policies amount to £21,418, in addition to single premiums of £495. The number of annuities granted was 13, for the sum of £509 per annum.

The number of policies existing at the close of the year was 40,368, securing, with bonus additions, the sum of £10,639,978 at death or maturity, and annuities, either immediate or deferred, of £27,222 per annum.

INCOME.

The income of the Department for the year has been £286,731 from premiums and £136,955 from interest, making, with other receipts, a total of £423,700.

CLAIMS.

Three hundred and seven policies, representing with bonus additions the sum of £92,675, became claims during the year through the death of the persons insured, a less amount than has been paid for any of the previous three years. 196 policies matured during the year, securing, with bonus additions, the sum of £58,543.

ACCUMULATED FUNDS.

The Insurance Fund on the 31st December last amounted to £3,139,957, being an increase during the year of £142,276.

BALANCE-SHEET.

On the 31st December, 1900, the total assets of the Department amounted to £3,216,129, and were invested as shown in the following comparative statement:—

At 31st December, 1899.		Class of Investment.	At 31st December, 1900.	
Amount.	Percentage of Total Assets.		Amount.	Percentage of Total Assets.
£1,333,378	43·4 per cent.	Mortgages on freehold property ...	£1,488,759	46·3 per cent.
787,887	25·7 "	Government securities ...	727,899	22·6 "
559,562	18·2 "	Loans on policies ...	579,494	18·0 "
138,911	4·5 "	Local bodies' debentures ...	135,263	4·2 "
122,650	4·0 "	Landed and house property ...	122,687	3·8 "
89,433	2·9 "	Miscellaneous assets ...	91,522	2·9 "
33,535	1·1 "	Cash on current account ...	64,916	2·0 "
6,225	0·2 "	Properties acquired by foreclosure ...	5,589	0·2 "
£3,071,581	100·0 "	Total ...	£3,216,129	100·0 "

It will be seen that there has been a further decrease in Government securities amounting to £59,988, and an increase of £155,381 in the amount lent on mortgages of freehold property. This change was authorised by "The Government Life Insurance Acts Amendment Act, 1894," and the amount of Government securities, which at the end of 1894 stood at £926,923, has from time to time been reduced by £199,024, and mortgages on freehold property increased by £971,679.

TONTINE FUND No. 1.

The period of the Tontine Fund No. 1 expired on the 31st December, 1900, and the amount, £16,752 13s. 11d., has been distributed amongst those policyholders whose policies were in force at that date, the addition to the sums assured being £33,350 3s.

The fund was inaugurated by Order in Council, dated September, 1887, and policyholders were permitted to join until the 31st December, 1890, when it was closed for new entrants. Policyholders joining the fund were not allowed to deal with the bonuses allotted to them during the tontine period, and in the event of death or withdrawal the bonuses were forfeited to the fund, and accumulated at compound interest for distribution amongst those policyholders whose insurances remained in force at the 31st December, 1900.

During the time the fund was open 6,237 policies, assuring £1,734,591, joined, of which 275 became claims by death, or about $4\frac{1}{2}$ per cent. of the number entering; 310 surrendered, and 2,103 lapsed, leaving 3,549 policies, assuring £994,427, in force at the close of the period.

In addition to the special bonus of £33,350 3s. from the Tontine Fund, the bonuses granted during the time the policies were in the tontine class, £130,512 7s., were released from the tontine conditions, and may now be dealt with in the same manner as non-tontine bonuses.

J. H. RICHARDSON,
Government Insurance Commissioner.

REVENUE ACCOUNT of the GOVERNMENT LIFE INSURANCE DEPARTMENT for the Year ended
31st December, 1900.

	£	s.	d.		£	s.	d.
Amount of funds at 1st January, 1900	2,997,681	0	4	Death claims under policies, Assurance, including bonus additions ..	92,675	4	0
Renewal premiums—Assurance, Annuity, and Endowment ..	261,457	12	6	Endowment Assurances matured, including bonus additions ..	57,357	16	0
New premiums (including instalments of first year's premiums falling due in the year) ..	20,145	1	9	Endowments matured ..	1,185	13	10
Single premiums—Assurance and Endowment ..	494	10	1	Premiums returned on endowments ..	90	7	10
Consideration for Annuities ..	4,633	14	6	Bonuses surrendered for cash ..	10,496	12	2
Interest ..	186,955	7	11	Annuities ..	11,993	12	6
Fees ..	13	19	10	Surrenders ..	27,860	19	9
				Loans released by surrender ..	19,432	9	3
				Commission, new ..	£12,391	17	1
				renewal ..	1,996	0	8
					14,387	17	9
				Land- and income-tax ..	9,741	1	1
				Expenses of management—			
				Salaries—			
				Head Office ..	£11,076	10	8
				Branch offices and agents ..	6,439	6	2
				Extra clerical assistance ..	1,847	6	9
				Medical fees and expenses ..	4,753	14	1
				Travelling-expenses ..	1,134	10	7
				Advertising ..	842	7	10
				Printing and stationery ..	1,117	4	9
				Rent ..	2,183	0	0
				Postage ..	1,824	14	9
				Telegrams ..	417	17	9
				Exchange ..	77	17	7
				Office furniture depreciation ..	338	9	11
				General expenses ..	2,222	3	4
				Triennial expenses ..	2,700	5	7
				Compensation for loss of office ..	327	9	6
					37,302	19	3
				Amount of funds, 31st December, 1900	3,139,956	13	6
					£3,421,381	6	11
					£3,421,381	6	11

BALANCE-SHEET of the GOVERNMENT LIFE INSURANCE DEPARTMENT on 31st December, 1900.

LIABILITIES.				ASSETS.			
	£	s.	d.		£	s.	d.
Total Assurance, Annuity, and Endowment Funds (as per Revenue Account) ..	3,139,956	13	6	Loans on policies ..	579,493	19	5
Claims admitted, proofs not yet completed ..	12,625	0	5	Government securities—			
Annuities ..	67	11	8	Consolidated stock ..	625,900	0	0
Commission ..	159	4	6	Treasury bills ..	60,000	0	0
Medical fees ..	506	19	8	Railway debentures (guaranteed by Government) ..	40,000	0	0
Premium and other deposits ..	4,325	4	0	Debentures issued under "The Immigration and Public Works Act, 1870" ..	1,998	13	3
Fire-insurance moneys in suspense ..	1,365	0	0		727,898	13	3
Tontine Savings Funds ..	20,826	7	7	Municipal Corporation debentures ..	94,863	5	11
Investment Fluctuation Reserve ..	36,296	19	7	County securities ..	900	0	0
				Harbour Board debentures ..	39,000	0	0
				Town Board debentures ..	500	0	0
				Landed and house property ..	122,686	19	4
				Office furniture (Head Office and agencies) ..	2,798	8	11
				Mortgages on property ..	1,488,758	17	2
				Properties acquired by foreclosure ..	5,589	13	1
				Overdue premiums on policies in force ..	4,611	16	3
				Outstanding premiums due but not overdue ..	35,347	9	1
					39,959	5	4
				Overdue interest ..	653	5	6
				Outstanding interest due but not overdue ..	5,108	17	9
				Interest accrued but not due ..	38,451	16	11
					44,214	0	2
				Agents' balances ..	3,203	17	1
				Sundry accounts owing ..	1,346	5	11
				Cash in hand and on current account ..	64,915	15	4
					£3,216,129	0	11
					£3,216,129	0	11

Government Life Insurance Department, 15th February, 1901.

J. H. RICHARDSON,
Commissioner.

W. B. HUDSON,
Secretary.

Audited and found correct.

J. K. WARBURTON,
Controller and Auditor-General.

at end of Year 1900.

ASSURANCES.								ANNUITIES.			SIMPLE ENDOWMENTS, INVESTMENTS, &c.		
Endowment Assurances.				Annuity Assurances.									
No.	Sum Assured.	Rever- sionary Bonus.	Annual Premiums. 1. Ordinary. 2. Extra.	No.	1. Sum Assured. 2. Rever- sionary Bonus.	Deferred Annuities.	Annual Premium.	No.	Annual Premium.	Annuities. 1. Immediate. 2. Deferred.	No.	Sum As- sured.	Annual Premium.

TINUED DURING THE YEAR 1900.

	£	£	£ s. d.		£	£ s. d.	£ s. d.		£ s. d.	£ s. d.		£	£ s. d.
20,158	4,161,191	219,135	{ 145,129 19 4 747 8 7 }	249	{ 32,450 278 }	12,005 4 3	1,715 8 8	{ 257 10 }	79 0 8	{ 11,284 3 4 520 17 0 }	423	42,760	1,582 6 2
8,050	629,793	..	{ 20,299 9 3 119 9 3 }	62	8,900	3,490 14 0	467 13 0	13	..	509 0 2	82	9,400	393 13 8
..	..	80,725	..	..	576	..	..	..	..	..	..	..	..
23,208	4,790,984	299,860	{ 165,429 8 7 866 17 10 }	311	{ 41,350 854 }	15,495 18 3	2,183 1 8	{ 270 10 }	79 0 8	{ 11,793 3 6 520 17 0 }	505	52,160	1,975 19 10
1,295	273,175	22,741	{ 9,635 0 0 54 7 0 }	6	{ 1,050 30 }	281 8 2	55 8 6	{ 6 1 }	5 0 0	{ 297 0 8 9 12 4 }	42	3,617	154 14 4
21,913	4,517,809	277,119	{ 155,794 8 7 812 10 10 }	305	{ 40,300 824 }	15,214 10 1	2,127 13 2	{ 264 9 }	74 0 8	{ 11,496 2 10 511 4 8 }	463	48,543	1,821 5 6

TINUED DURING THE YEAR 1900.

105	20,517	1,978	{ 766 18 7 3 14 1 }	..	..	..	..	6	..	297 0 8	1	20	0 8 8
177	47,785	9,423	{ 2,203 10 6 18 2 1 }	..	..	..	..	..	..	..	19	1,185	52 10 3
262	58,950	2,952	{ 2,008 5 10 10 8 0 }	6	{ 1,050 30 }	281 8 2	55 5 0	{ .. 1 }	5 0 0	{ .. 9 12 4 }	13	1,312	54 2 10
..	..	4,870	..	..	..	..	..	..	..	..	..	..	..
751	145,923	3,518	{ 4,635 13 6 18 13 0 }	..	..	..	..	..	..	..	9	1,100	47 11 8
..
..
..	..	..	{ 20 11 7 3 9 10 }	..	..	..	0 3 6	..	..	..	..	..	0 0 11
1,295	273,175	22,741	{ 9,635 0 0 54 7 0 }	6	{ 1,050 30 }	281 8 2	55 8 6	{ 6 1 }	5 0 0	{ 297 0 8 9 12 4 }	42	3,617	154 14 4

DEPARTMENT SINCE DATE OF ESTABLISHMENT TO 31st DECEMBER, 1900.

38,922	8,486,892	482,730	{ 301,528 12 11 2,934 13 2 }	335	{ 45,050 901 }	16,726 3 4	2,380 5 0	412	203 11 11	18,514 12 2	2,136	130,164	5,943 1 8
17,009	3,969,083	205,611	{ 145,734 4 4 2,122 2 4 }	30	{ 4,750 77 }	1,511 13 3	252 11 10	139	129 11 3	6,507 4 8	1,673	81,621	4,121 16 2
21,913	4,517,809	277,119	{ 155,794 8 7 812 10 10 }	305	{ 40,300 824 }	15,214 10 1	2,127 13 2	273	74 0 8	12,007 7 6	463	48,543	1,821 5 6

at the true age; the Extra, the additional premium imposed for any reason whatsoever.

J. H. RICHARDSON, Commissioner.
P. MUTER, Acting Actuary.

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