Session II.

1906.

NEW ZEALAND.

ACCIDENT INSURANCE BRANCH OF THE GOVERN-MENT INSURANCE DEPARTMENT .

(ANNUAL REPORT OF THE), FOR THE YEAR ENDED 31st DECEMBER, 1905.

Laid before Parliament pursuant to Section 26 of "The Government Accident Insurance Act, 1899."

Government Insurance Office, Wellington, 1st June, 1906.

I have the honour to submit my report on the business of the Accident Insurance Branch of the Department for the year ending the 31st December, 1905, together with the appended Revenue Account and Balance-sheet.

The premium income amounted to £23,970, as against £23,768 in the previous year.

The claims, including provision for those not actually settled at the end of the year, amounted to £11,242, as against £12,105 in 1904. The expenses, including taxes and commission, amounted to £7,062. The unearned premiums reserve has been increased to £9,588.

Owing to the Department having been able to keep the funds more closely invested the cash in hand has been reduced from £12,365 to £8,411, and mortgages on freehold property (on which there is no interest overdue) have been increased from £13.375 to £21,875, and as a consequence the interest receipts have increased from £420 to £905.

The gross Accident Insurance funds at the end of the year amounted to £12,187, having been increased by £6,491 during the year. It has been decided to set aside the whole of this amount to make a reserve for contingencies which are invariably associated with this class of business.

The reserve alluded to is all the more necessary because, although the Department's experience for the past year has been of a favourable nature, there is at the present time a considerable amount of reckless competition going on in the accident insurance business in New Zealand. This branch is, however, holding its own, and it is hoped that with the exercise of great care and prudence it will continue to do so.

J. H. RICHARDSON, Government Insurance Commissioner.

REVENUE ACCOUNT of the ACCIDENT BRANCH of the GOVERNMENT INSURANCE DEPARTMENT for the Year ended 31st December, 1905.

					£	s.	d.	£s	d.
Amount of Accident Funds, 1st January,								Claims 11,242	0 (
1905					5,695	4	5	Commission 3,295 10) 1
Premiums					23,970	4	10	Land and income tax 61 1	5
Interest					905	5	7	Salaries 2,866	0 (
								Expenses of management 838 1	3
								Further appropriation to reserve for un-	
								earned premiums 80	0 (
								Amount of Accident Funds, 31st Decem-	
								ber, 1905	1
								200	
					£30,570	14	10	£30,570 1	⊧ 10
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Balance-sheet of the Accident Branch of the Government Insurance Department on 31st December, 1905.

LIABILITIES.	£ s.	d.	Assets.	£ s. d.
Accident Funds as per Revenue Account	12,186 12	1	Mortgages on property	21,875 0 0
Claims admitted (proofs not yet com-			Outstanding interest due but	•
pleted)	7,950 0	0	not overdue £9 7 6	
Commission	238 13	0	Interest accrued but not due 265 12 2	
Premium and other deposits	38 19	8		274 19 8
Sundry accounts owing	915 5	. 8	Agents' balances	357 0 4
Reserve for unearned premiums	9,588 0	0	Cash in hand and on current account	8,410 10 5
	£30,917 10	5		£30,917 10 5
		_		

Government Insurance Department, 30th April, 1906.

J. H. RICHARDSON, Commissioner.

W. B. Hudson, Secretary.

Audited and found correct.

J. W. Poynton, Deputy Controller and Auditor.

Approximate Cost of Paper.—Preparation, not given; printing (3,950 copies), £2 8s. 0d.

By Authority: JOHN MACKAY, Government Printer, Wellington.--1906.

Prio : 3d.]