

ANNUAL REPORT OF THE GENERAL MANAGER FOR THE YEAR ENDED 31st DECEMBER, 1908.

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

I HAVE the honour to submit the following report upon the transactions of the office for the year ended 31st December, 1908. The Revenue Account and balance-sheet are appended.

It will be seen that the year's operations have resulted in a loss of £5,707 Os. 6d., mainly due to the bush-fires and the Christchurch conflagration in the early part of the year.

The premium income for 1908 amounted to £26,657 11s. 7d., as against £23,194 13s. for 1907, being an increase of £3,462 18s. 7d. The income from interest was £251 2s. 4d., being an increase of £143 8s. on that of the previous year. The claims, including those unsettled at the end of the year, amounted to £18,903 19s. 3d., showing an increase of £6,202 10s. 6d.

The necessary proportion of premiums reserved as unearned has in the past been fixed at 33½ per cent. I do not consider this to be sufficient; and, in accordance with the best insurance practice, the proportion has been increased to 40 per cent. The reserve for unearned premiums now stands at £10,663 0s. 8d.

The expenses were £10,146 Os. 3d., as against £8,355 4s. 10d. for 1907, and include contributions to eighteen Fire Boards under "The Fire Brigades Act, 1908," amounting to £501 12s. 1d., which is £278 9s. more than the total amount contributed during 1907 to eight Fire Boards.

The remainder of the preliminary expenses—viz., £634 5s. 3d.—has been written off.

For the State Fire Insurance General Manager.

J. H. JERRAM,

Deputy General Manager.

|                                                                                             | £      | s.  | d.    |    | £            | s. | d. |
|---------------------------------------------------------------------------------------------|--------|-----|-------|----|--------------|----|----|
| Amount of fire-insurance funds at the beginning of the year                                 | ..     | ..  | 1,566 | 17 | 5            |    |    |
| Premiums after deduction of reinsurances                                                    | 26,657 | 11  | 7     |    |              |    |    |
| Other receipts—Interest                                                                     | ..     | ..  | 251   | 2  | 4            |    |    |
| Balance                                                                                     | ..     | ..  | 4,140 | 3  | 1            |    |    |
| Losses by fire (after deduction of reinsurances)                                            | ..     | ..  | ..    | .. | 18,903       | 19 | 3  |
| Appropriated to reserve for unearned premiums (in addition to £7,731 11s. already reserved) | ..     | ..  | ..    | .. | 2,931        | 9  | 8  |
| Interest on capital raised guaranteed by the Government                                     | ..     | ..  | ..    | .. | 72           | 10 | 0  |
| Commission                                                                                  | ..     | ..  | ..    | .. | 2,318        | 10 | 8  |
| Salaries                                                                                    | ..     | ..  | ..    | .. | 4,313        | 19 | 6  |
| Contributions to Fire Boards under "The Fire Brigades Act, 1908"                            | ..     | ..  | ..    | .. | 501          | 12 | 1  |
| Expenses of Management—                                                                     | £      | s.  | d.    |    |              |    |    |
| Travelling-expenses                                                                         | ..     | 160 | 8     | 11 |              |    |    |
| Printing, stationery, and advertising                                                       | ..     | ..  | 825   | 18 | 8            |    |    |
| Rent                                                                                        | ..     | ..  | 777   | 9  | 3            |    |    |
| Exchange                                                                                    | ..     | ..  | 15    | 4  | 0            |    |    |
| Postages and telegrams, cablegrams, and sundry charges                                      | ..     | ..  | 1,036 | 8  | 0            |    |    |
| Furniture written off                                                                       | ..     | ..  | 123   | 19 | 2            |    |    |
| Preliminary expenses written off                                                            | ..     | ..  | ..    | .. | 2,939        | 8  | 0  |
|                                                                                             |        |     |       |    | 634          | 5  | 3  |
| £32,615 14 5                                                                                |        |     |       |    | £32,615 14 5 |    |    |

For the State Fire Insurance General Manager.

J. H. JERRAM,

Deputy General Manager.

The State Fire Insurance Office, 27th February, 1909.

Examined and found correct.—J. K. Warburton, Controller and Auditor-General.