

1909.
NEW ZEALAND.

ACCIDENT INSURANCE BRANCH OF THE GOVERNMENT INSURANCE DEPARTMENT

(ANNUAL REPORT ON THE), FOR THE YEAR ENDED 31st DECEMBER, 1908.

Laid before Parliament pursuant to Section 22 of "The Government Accident Insurance Act, 1908."

Government Insurance Office,
Wellington, 15th May, 1909.

I HAVE the honour to submit my report on the business of the Accident Insurance Branch of the Department for the year ended 31st December, 1908, together with the appended Revenue Account and Balance-sheet.

The premium income amounted to £20,898, as against £21,477 in 1907. The income from interest was £1,791, representing an increase of £433 on that of the previous year, due to the increase in mortgage investments.

The claims (including provision for those in course of settlement at the end of the year) amounted to £11,926, as against £11,288 in 1907. The ratio of claims to premiums earned was 57 per cent.

The total claims paid since the inception of the Branch have amounted to £83,303.

The expenses, including commission and taxes, were £6,669, as against £6,647 in 1907, and the ratio of expenses to premiums was 31·9 per cent.

The provision of £10,200 for outstanding claims has been carefully compiled, and is believed to be amply sufficient to meet all possible claims.

The reserve for unearned premiums remains at the same figure, £9,588, as in the three previous years, and represents 46 per cent. of the year's premium income.

The mortgages on property, which represent 93·6 per cent. of the total assets of the Branch, have been increased from £35,605 to £40,080, and are on a satisfactory basis. In view, however, of the fact that the Branch's investments are now assuming considerable dimensions, it has been thought advisable to set on one side the sum of £1,000 as the nucleus of an Investment Fluctuation Fund, to be added to from time to time on the same cautious lines as have been followed in the case of the Life Branch. After making this special provision and the other reserves referred to above, the net funds stand at £9,598, being an increase of £3,093 for the year. Whilst these figures are entirely satisfactory, the amount accumulated is not sufficient to justify any distribution of "profits," and it has accordingly been decided to carry the whole amount to the Branch's general reserve, which will thereby be increased to £21,785.

J. H. RICHARDSON,
Government Insurance Commissioner.

REVENUE ACCOUNT of the ACCIDENT BRANCH of the GOVERNMENT INSURANCE DEPARTMENT for the Year ended 31st December, 1908.

	£	s.	d.		£	s.	d.
Amount of Accident Funds, 1st January, 1908	6,505	1	6	Claims	11,926	0	11
Premiums	20,897	12	7	Commission	2,903	9	5
Interest	1,790	19	4	Land and income tax	151	12	5
				Salaries	2,901	0	0
				Expenses of management	713	1	10
				Investment Fluctuation Reserve	1,000	0	0
				Amount of Accident Funds, 31st December, 1908	9,598	8	10
	£29,193	13	5		£29,193	13	5

BALANCE-SHEET of the ACCIDENT BRANCH of the GOVERNMENT INSURANCE DEPARTMENT on 31st December, 1908.

LIABILITIES.			ASSETS.		
	£	s. d.		£	s. d.
Accident Funds as per Revenue Account	9,598	8 10	Mortgages on property	40,080	0 0
Claims admitted (proofs not yet completed)	10,200	0 0	Overdue interest	£12	10 4
Commission	176	13 3	Outstanding interest due but not overdue	38	10 0
Premium and other deposits	68	18 3	Interest accrued but not due	509	4 10
Reserve for unearned premiums	9,588	0 0			
Investment Fluctuation Reserve	1,000	0 0	Agents' balances		560 5 2
Reserve Fund constituted under section 24 of "The Government Accident Insurance Act, 1899"	12,186	12 1	Sundry accounts owing		499 18 6
			Cash in hand and on current account	1,082	11 6
	<u>£42,818</u>	<u>12 5</u>			
				<u>£42,818</u>	<u>12 5</u>

Government Insurance Department, 12th February, 1909.

J. H. RICHARDSON,
Commissioner.W. B. HUDSON,
Secretary.

Audited and found correct.

J. K. WARBURTON,
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