

securities at the lowest quotation and to make a further reserve on account of mortgages on property. An additional sum of £75,458 has therefore been carried to the Investment Fluctuation Reserve, bringing the amount up to £189,121.

Advantage was taken of the Secretary's presence in London to consult Mr. George King, F.I.A., the eminent British Actuary (who for many years has acted as the Department's Consulting Actuary), about this important matter, and the course adopted has been with his concurrence and approval. It may be mentioned that British offices of undoubted financial strength, whose bonus distribution was due to take place at the end of 1914, are showing their Stock Exchange securities at the market price ruling on the 31st December, 1913. This course is being followed with the assent of the Board of Trade. The Department, however, owing to an exceptionally strong financial position, has been able to make provision on the basis of the market price at the end of 1914, and at the same time to maintain its eminently satisfactory rate of bonus.

*Triennial Investigation.*—The valuation of the Department's liabilities on the 31st December last was completed early in the present year, full particulars of which are given in the Actuary's report. After adding a further sum of £75,458 to the Investment Fluctuation Reserve as mentioned above, there remained a surplus of £222,065, of which £213,008 was divided among the policyholders by way of bonus and the balance of £9,057 carried forward. As on former occasions, the surplus divided was allotted as a compound reversionary bonus on the sum assured and bonuses in force, thus giving bonuses increasing with the duration of the policies to those policyholders who had not surrendered their previous bonuses.

The bonuses allotted range from 21s. to 33s. per cent. per annum on the sum assured, General and Temperance policyholders, whose policies were in other respects equal, receiving the same bonus.

The cash surplus divided, £213,008, represents additions to the policies payable at death or on maturity of £338,760. Since the inception of the Department in 1870 £1,811,385 in cash has been distributed by way of bonus, the corresponding addition to the sums assured being £3,246,289.

At a time like the present my report would be wanting if I did not make some reference to the manner in which the staff of this Department have responded to the call for recruits in connection with the Expeditionary Forces. The total number of officers who have enlisted is twenty-two, of whom nine were included in the original expedition to Samoa. The majority of these nine gentlemen either remained in the Forces or have since re-enlisted for service in Europe, and the total number at present on active service or awaiting orders to join the Trentham Camp is nineteen.

J. H. RICHARDSON,  
Government Insurance Commissioner.

REVENUE ACCOUNT OF THE GOVERNMENT LIFE INSURANCE DEPARTMENT FOR THE YEAR ENDED  
31ST DECEMBER, 1914.

	£	s.	d.		£	s.	d.
Amount of Funds at 1st January, 1914	4,980,131	8	9	Death claims under policies, Assurance, including bonus additions ..	187,559	14	8
Renewal premiums—Assurance, Annuity, and Endowment .. ..	334,486	19	4	Endowment Assurances matured, including bonus additions .. ..	145,081	9	11
New premiums (including instalments of first year's premiums falling due in the year) .. ..	29,073	15	5	Endowments matured .. ..	3,067	4	0
Single premiums—Assurance and Endowment .. ..	1,215	9	3	Premiums returned on endowments ..	41	15	9
Consideration for Annuities .. ..	17,711	14	4	Bonuses surrendered for cash .. ..	2,178	18	4
Interest .. £243,271 14 6				Annuities .. ..	18,137	13	1
Less land and income tax .. ..	16,523	0	8	Surrenders .. ..	18,964	10	3
	226,748	13	10	Loans released by surrender .. ..	36,871	15	11
Fees .. ..	4	8	10	Commission, new* .. £22,726 5 3			
				“ renewal .. 2,675 13 1	25,401	18	4
				Expenses of management—			
				Salaries—			
				Head Office .. £18,077 7 1			
				Branch offices and agents .. ..	7,563	19	11
				Extra clerical assistance .. ..	233	6	0
				Medical fees and expenses .. ..	5,268	15	11
				Travelling-expenses .. ..	979	4	6
				Advertising .. ..	623	13	5
				Printing and stationery .. ..	1,285	17	4
				Rent .. ..	2,737	0	9
				Postage and telegrams .. ..	1,485	9	9
				Exchange .. ..	66	4	7
				Office-furniture depreciation .. ..	270	9	3
				General expenses .. ..	2,373	5	3
				Triennial expenses .. ..	1,104	4	7
				Compensation under section 26 of the Appropriation Act of 1910 .. ..	656	12	2
					42,725	10	6
				Investment Fluctuation Reserve .. ..	75,458	0	0
				Amount of Funds, 31st December, 1914	5,033,883	19	0
	£5,589,372	9	9		£5,589,372	9	9

\* Including Agents' allowances.