

## Defined by Values





EFU GENERAL INSURANCE LTD.  
INSURER FINANCIAL STRENGTH AA+

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## Company Information

### Chairman

Saifuddin N. Zoomkawala

### Managing Director & Chief Executive

Hasanali Abdullah

### Directors

Abdul Rehman Haji Habib  
 Taher G. Sachak  
 Ali Raza Siddiqui  
 Mohammed Iqbal Mankani  
 Mahmood Lotia  
 Saad Ali Bhimjee  
 Daanish Bhimjee

### Chief Financial Officer & Corporate Secretary

Altaf Qamruddin Gokal, F.C.A.

### Legal Advisor

Mohammad Ali Sayeed

### Advisors

Jaffer Dossa  
 Salim Rafik Sidiki, B.A. (Hons), M.A.  
 S.C. (Hamid) Subjally  
 Shaukat Saeed Ahmed  
 Syed Mehdi Imam, M.A.

### Shari'ah Advisor

Mufti Muhammad Ibrahim Essa

### Audit Committee

Mohammed Iqbal Mankani  
 Taher G. Sachak  
 Ali Raza Siddiqui  
 Daanish Bhimjee

### Investment Committee

Saifuddin N. Zoomkawala  
 Hasanali Abdullah  
 Daanish Bhimjee  
 Altaf Qamruddin Gokal  
 Atif Anwar

### Ethics, Human Resource & Remuneration Committee

Saifuddin N. Zoomkawala  
 Hasanali Abdullah  
 Mohammed Iqbal Mankani

### Auditors

KPMG Taseer Hadi & Co.  
 Chartered Accountants  
 Sheikh Sultan Trust Building No. 2  
 Beaumont Road  
 Karachi

### Registrar

Central Depository  
 Company of Pakistan Limited  
 CDC House, 99-B, Block B  
 S.M.C.H.S., Shahra-e-Faisal  
 Karachi - 74400

### Website

[www.efuinsurance.com](http://www.efuinsurance.com)

### Email

[info@efuinsurance.com](mailto:info@efuinsurance.com)

### Registered Office

Kamran Centre, 1st Floor  
 85, East, Jinnah Avenue  
 Blue Area  
 Islamabad

### Main Offices

EFU House  
 M. A. Jinnah Road  
 Karachi

Co-operative Insurance Building  
 23, Shahrah-e-Quaid-e-Azam  
 Lahore

### Window Takaful Operations

5th Floor, EFU House  
 M. A. Jinnah Road  
 Karachi

## Directors' Review

We are pleased to present the unaudited financial statements for the nine months period ended 30 September 2018.

The Written Premium (including Takaful) for the nine months period was Rs. 15,921 million (Takaful Contribution Rs. 1,494 million) as against Rs. 16,459 million (Takaful Contribution Rs. 1,183 million) for corresponding period of last year. The Net Premium Revenue for the nine months period (including Takaful Net Contribution Revenue) was Rs. 7,074 million as against Rs. 6,745 million for the corresponding period of last year. The overall Claims ratio to Net Premium Revenue was 40 % as compared to 38 % for the corresponding period of last year.

The after tax profit for the nine months period was Rs. 1,650 million compared to Rs. 1,959 million (restated) in the corresponding period last year.

The earning per share for the period were Rs. 8.25 against Rs. 9.80 (restated) in the corresponding period of last year.

As required by Insurance Rules, 2017, your Company has commenced recording Investment in equities and fixed income securities at fair value effective January 2018.

Your Company achieved the highest credit rating in the insurance industry of Pakistan by A.M.Best. A.M.Best is the world's specialized insurance rating agency and has assigned Financial Strength Rating of "B+" and a Long-Term Issuer Credit Rating of "bbb-" with Positive Outlook for both.

Your Directors have pleasure in declaring third interim cash dividend of Rs. 1.25 (12.5 %) per share for the year 2018.

We are hopeful to deliver sustainable, profitable growth in challenging and competitive business environment in order to maintain leading position in the industry.

It is a matter of deep gratification for your Directors to place on record their appreciation of the efforts made by officers, field force and staff who had contributed to the growth of the Company and the continued success of its operations.

Your Directors would also like to thank the Securities & Exchange Commission of Pakistan, Pakistan Reinsurance Company Limited and all our reinsurers for their continued guidance and support.

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018

## ڈائریکٹرز ریویو

(یہ انگریزی ڈائریکٹرز ریویو کا ترجمہ ہے)

ہم بمسرت آپ کی خدمت میں ۳۰ ستمبر ۲۰۱۸ء کو ختم ہونے والی ۹ ماہ کی مدت کے لئے غیر آڈٹ شدہ مالیاتی حسابات پیش کرتے ہیں۔

اس ۹ ماہ کی مدت کے دوران زیر تحریر پریمئیم ۱۵،۹۲۱ ملین روپے رہا (تکافل کنٹریبیوشن ۱،۴۹۴ ملین روپے) جبکہ گزشتہ سال اسی مدت میں ۱۶،۴۵۹ ملین روپے (تکافل کنٹریبیوشن ۱،۱۸۳ ملین روپے) تھا۔ نو ماہ کی مدت کے دوران خالص پریمئیم آمدن (بشمول خالص تکافل کنٹریبیوشن آمدن) ۷،۰۷۴ ملین روپے رہا جبکہ گزشتہ سال اسی مدت میں ۶،۷۲۵ ملین روپے تھا۔ خالص پریمئیم آمدن کیلئے مجموعی کلیمز کا تناسب ۴۰ فیصد رہا جبکہ گزشتہ سال اسی مدت میں ۳۸ فیصد تھا۔

۹ ماہ کی مدت کیلئے منافع بعد از ٹیکس ۱،۶۵۰ ملین روپے تھا جو گزشتہ سال اسی مدت میں ۱،۹۵۹ ملین روپے (دو بارہ بیان کردہ) رہا تھا۔

اس مدت کیلئے آمدنی فی شیئر ۲۵.۸ روپے تھی جو گزشتہ سال اسی مدت میں اس کے برخلاف ۹.۸۰ روپے (دو بارہ بیان کردہ) رہی تھی۔

جیسا کہ انشورنس رولز ۲۰۱۷ کے تحت ضروری ہے، آپ کی کمپنی نے ایکویٹیز اور فلکسڈ انکم سیکیورٹیز میں جنوری ۲۰۱۸ء سے موثر العمل شفاف ویلیو پر سرمایہ کاری کا آغاز کیا تھا۔

آپ کی کمپنی نے اے۔ ایم بیسٹ کی جانب سے پاکستان کی انشورنس انڈسٹری میں بلند ترین کریڈٹ ریٹنگ حاصل کی۔ انشورنس کمپنیز کی ریٹنگ میں خصوصی مہارت رکھنے والی مسلمہ عالمی ایجنسی اے۔ ایم۔ بیسٹ نے ہمیں فنانشل اسٹریٹجی ریٹنگ "B+" اور لونگ ٹرم ایسٹورز کریڈٹ ریٹنگ "bbb" تفویض کی ہے۔ دونوں کے رجحانات مثبت ہیں۔

آپ کے ڈائریکٹرز سال ۲۰۱۸ء کیلئے بمسرت تیسرے عبوری نقد منافع منقسمہ روپے ۲۵.۱ (۱۴.۵ فیصد) فی شیئر کا اعلان کر رہے ہیں۔

ہمیں امید ہے کہ ہم کاروبار کے اس چیلنج اور مسابقتی ماحول میں مستقل اور منافع بخش ترقی کی راہ پر گامزن رہیں گے تاکہ صنعت میں اپنی مرکزی حیثیت برقرار رکھ سکیں۔

آپ کے ڈائریکٹرز کیلئے یہ امر گہرے اطمینان اور مسرت کا باعث ہے کہ وہ کمپنی کی ترقی اور اس کے آپریشنز میں مسلسل کامیابی اور بہتری کے ضمن میں افسران، فیلڈ فورس اور اسٹاف کی جانب سے کی گئی کاوشوں پر انہیں خراج تحسین پیش کرتے ہیں۔

آپ کے ڈائریکٹرز سیکیورٹیز اینڈ ایچیج کمیٹی آف پاکستان، پاکستان ری انشورنس کمپنی لمیٹڈ اور اپنے تمام ری انشوررز کا ان کی مسلسل رہنمائی اور تعاون کیلئے شکر یہ بھی ادا کرنا چاہتے ہیں۔

سیف الدین این۔ زومکاوالا  
چیرمین

کراچی، ۲۷ اکتوبر ۲۰۱۸ء

حسن علی عمید اللہ  
منیجنگ ڈائریکٹر اینڈ چیف ایگزیکٹو

سعد علی بھیم جی  
ڈائریکٹر

محمود لوٹیا  
ڈائریکٹر



## Unconsolidated Condensed Interim Statement of Financial Position As at 30 September 2018

Rupees '000

	Note	30 September 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
<b>Assets</b>			
Property and equipment	7	2 556 454	1 289 023
Investment property	8	1 857 262	1 847 093
Investments			
Equity securities	9	14 863 968	17 418 873
Debt securities	10	8 443 900	8 527 268
Term deposits	28	334 672	430 550
Loans and other receivables	11	167 952	118 618
Insurance / reinsurance receivables	12	3 217 912	2 819 069
Reinsurance recoveries against outstanding claims	19	3 243 787	3 538 572
Salvage recoveries accrued		84 458	68 458
Deferred commission expense	20	698 991	689 587
Taxation - payments less provision		-	95 797
Prepayments	13	5 282 681	5 202 181
Cash and bank	14	1 112 666	1 164 209
<b>Total assets</b>		<b>41 864 703</b>	<b>43 209 298</b>
Total assets of window takaful operations - Operator's fund		619 347	433 480
<b>Total assets</b>		<b>42 484 050</b>	<b>43 642 778</b>
<b>Equity and Liabilities</b>			
<b>Capital and reserves attributable to Company's equity holders</b>			
Ordinary share capital		2 000 000	2 000 000
Reserves	15	13 150 063	14 450 835
Unappropriated profit		3 790 812	4 390 450
<b>Total equity</b>		<b>18 940 875</b>	<b>20 841 285</b>
Surplus on revaluation of property and equipment		851 132	-
<b>Liabilities</b>			
<b>Underwriting provisions</b>			
Outstanding claims including IBNR	19	5 310 033	5 572 347
Unearned premium reserves	18	8 622 976	8 496 686
Unearned reinsurance commission	20	426 345	461 616
Retirement benefit obligations		48 587	71 805
Deferred taxation		892 942	1 122 776
Premium received in advance		29 864	31 487
Insurance / reinsurance payables		4 787 253	4 992 011
Other creditors and accruals	16	1 999 770	1 814 387
Taxation - provision less payments		211 270	-
<b>Total liabilities</b>		<b>22 329 040</b>	<b>22 563 115</b>
<b>Total equity and liabilities</b>		<b>42 121 047</b>	<b>43 404 400</b>
Total liabilities of window takaful operations - Operator's fund		363 003	238 378
<b>Total equity and liabilities</b>		<b>42 484 050</b>	<b>43 642 778</b>
<b>Contingencies and commitments</b>	17		

The annexed notes 1 to 32 form an integral part of these unconsolidated condensed interim financial statements.

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

ALTAF GOKAL  
Chief Financial Officer &  
Corporate Secretary

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018



## Unconsolidated Condensed Interim Profit and Loss Account For the nine months period ended 30 September 2018 (Unaudited)

Rupees '000

	Note	Three months period ended 30 September		Nine months period ended 30 September	
		2018	2017 (Restated)	2018	2017 (Restated)
Net insurance premium	18	2 266 393	2 227 521	5 939 618	5 984 229
Net insurance claims	19	(809 425)	(835 718)	(2 369 710)	(2 296 697)
Net commission	20	(74 718)	(152 626)	(411 790)	(430 633)
Insurance claims and acquisition expenses		(884 143)	(988 344)	(2 781 500)	(2 727 330)
Management expenses		(641 061)	(581 495)	(1 912 433)	(1 749 600)
Underwriting results		741 189	657 682	1 245 685	1 507 299
Investment income	21	232 714	180 274	1 143 949	1 226 208
Rental income		27 292	27 705	77 287	71 643
Other income	22	25 209	28 521	75 631	83 313
Other expenses		(9 982)	(7 364)	(42 769)	(35 070)
		275 233	229 136	1 254 098	1 346 094
Results of operating activities		1 016 422	886 818	2 499 783	2 853 393
Finance cost		5 133	323	21 286	523
Profit from window takaful operations - Operator's fund	23	31 989	8 450	85 219	27 061
Profit before tax		1 053 544	895 591	2 606 288	2 880 977
Income tax expense	24	(414 424)	(233 702)	(955 926)	(921 942)
Profit after tax		639 120	661 889	1 650 362	1 959 035
<b>Earnings (after tax) per share - Rupees</b>	25	<b>3.20</b>	<b>3.31</b>	<b>8.25</b>	<b>9.80</b>

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MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

ALTAF GOKAL  
Chief Financial Officer &  
Corporate Secretary

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018



## Unconsolidated Condensed Interim Statement of Comprehensive Income For the nine months period ended 30 September 2018 (Unaudited)

Rupees '000

	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017 (Restated)	2018	2017 (Restated)
Profit after tax	639 120	661 889	1 650 362	1 959 035
Other comprehensive income				
Unrealized loss on available-for-sale investments during the period	( 313 960 )	( 1 116 699 )	( 477 683 )	( 1 766 331 )
Reclassification adjustments relating to available-for-sale investments disposed off during the period	-	216 488	9 379	100 355
Unrealized (loss) / gain on available-for-sale investments during the period of subsidiary / associate company	( 4 400 386 )	( 775 657 )	( 1 884 082 )	1 789 612
Total items that may be reclassified subsequently to profit and loss	( 4 714 346 )	( 1 675 868 )	( 2 352 386 )	123 636
Deferred tax on available-for-sale investments	91 048	270 063	174 883	563 474
Deferred tax on available-for-sale investments of subsidiary / associate company	1 058 631	197 760	378 359	( 571 821 )
Net unrealized (loss) / gain after deferred tax	( 3 564 667 )	( 1 208 045 )	( 1 799 144 )	115 289
Net unrealized (loss) / gain from window takaful operations - Operator's fund (net of deferred tax)	( 1 251 )	378	( 1 628 )	28
Net other comprehensive income	( 3 565 918 )	( 1 207 667 )	( 1 800 772 )	115 317
Total comprehensive income for the period	( 2 926 798 )	( 545 778 )	( 150 410 )	2 074 352

The annexed notes 1 to 32 form an integral part of these unconsolidated condensed interim financial statements.

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

ALTAF GOKAL  
Chief Financial Officer &  
Corporate Secretary

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018

## Unconsolidated Condensed Interim Cash Flow Statement For the nine months period ended 30 September 2018 (Unaudited)

Rupees '000

	2018	2017 (Restated)
<b>Operating activities</b>		
a) Underwriting activities		
Insurance premium received	14 024 723	15 674 342
Reinsurance premium paid	( 8 602 708 )	( 7 479 317 )
Claims paid	( 3 549 570 )	( 3 740 903 )
Reinsurance and other recoveries received	1 197 616	1 530 000
Commission paid	( 1 068 280 )	( 1 277 904 )
Commission received	715 402	842 514
Management expenses paid	( 1 731 416 )	( 1 615 553 )
Net cash flow from underwriting activities	985 767	3 933 179
b) Other operating activities		
Income tax paid	( 672 430 )	( 954 361 )
Other operating payments	( 105 669 )	( 125 959 )
Other operating receipts	36 133	( 76 214 )
Loans advanced	( 4 082 )	( 4 635 )
Loans repayments received	1 822	3 305
Net cash flow from other operating activities	( 744 226 )	( 1 157 864 )
<b>Total cash flow from all operating activities</b>	<b>241 541</b>	<b>2 775 315</b>
<b>Investment activities</b>		
Profit / return received	509 261	539 888
Dividend received	746 043	781 694
Rental received	51 824	47 083
Payment for investments / investment properties	( 27 560 602 )	( 11 119 055 )
Proceeds from investments / investment properties	27 893 804	9 199 026
Fixed capital expenditures	( 274 750 )	( 262 938 )
Proceeds from sale of property and equipment	21 192	32 530
<b>Total cash flow from investing activities</b>	<b>1 386 772</b>	<b>( 781 772 )</b>
<b>Financing activities</b>		
Dividends paid	( 1 679 856 )	( 1 879 623 )
<b>Net cash flow from all activities</b>	<b>( 51 543 )</b>	<b>113 920</b>
Cash and cash equivalents at the beginning of period	1 164 209	1 195 586
<b>Cash and cash equivalents at the end of period</b>	<b>1 112 666</b>	<b>1 309 506</b>
<b>Reconciliation to profit and loss account</b>		
Operating cash flow	241 541	2 775 315
Depreciation / amortisation expense	( 202 626 )	( 176 098 )
Finance cost	21 286	523
Profit on disposal of property and equipment	17 721	29 177
Rental income	77 287	71 643
Dividend Income	780 115	793 908
Other investment income	363 834	432 301
Profit on deposit	57 632	53 979
Other income	278	157
Increase in assets other than cash	135 580	2 530 843
Decrease / (increase) in liabilities other than borrowings	72 495	( 4 579 774 )
<b>Profit after tax from conventional insurance operations</b>	<b>1 565 143</b>	<b>1 931 974</b>
<b>Profit from window takaful operations - Operator's fund</b>	<b>85 219</b>	<b>27 061</b>
<b>Profit after tax at the end of period</b>	<b>1 650 362</b>	<b>1 959 035</b>

The annexed notes 1 to 32 form an integral part of these unconsolidated condensed interim financial statements.

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

ALTAF GOKAL  
Chief Financial Officer &  
Corporate Secretary

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018



## Unconsolidated Condensed Interim Statement of Changes in Equity For the nine months period ended 30 September 2018 (Unaudited)

Rupees '000

	Share capital	General reserve	Reserve for exceptional losses	Revaluation reserve	Unappropriated profit	Total (Restated)
Balance as at 01 January 2017 as previously reported	2 000 000	12 500 000	12 902		2 388 169	16 901 071
Restatement due to change in accounting policies (refer note 4) - net of deferred tax				1 983 218	2 199 620	4 182 838
Balance as at 01 January 2017 (restated)	2 000 000	12 500 000	12 902	1 983 218	4 587 789	21 083 909
<b>Total comprehensive income for the period ended 30 September 2017</b>						
Profit after tax				-	1 959 035	1 959 035
Other comprehensive income				115 317	-	115 317
				115 317	1 959 035	2 074 352
<b>Transactions with owners recorded directly in equity</b>						
Final dividend for the year 2016 at the rate of Rs. 7.00 (70%) per share					(1 400 000)	(1 400 000)
1st Interim dividend paid for the year 2017 at the rate of Rs. 1.25 (12.5%) per share					(250 000)	(250 000)
2nd Interim dividend paid for the year 2017 at the rate of Rs. 1.25 (12.5%) per share					(250 000)	(250 000)
<b>Other transfer within equity</b>						
Transfer to general reserve		500 000			(500 000)	-
Balance as at 30 September 2017 (restated)	2 000 000	13 000 000	12 902	2 098 535	4 146 824	21 258 261
Balance as at 01 January 2018 as previously reported	2 000 000	13 000 000	12 902		2 034 319	17 047 221
Restatement due to change in accounting policies (refer note 4) - net of deferred tax				1 437 933	2 356 131	3 794 064
Balance as at 01 January 2018 (restated)	2 000 000	13 000 000	12 902	1 437 933	4 390 450	20 841 285
<b>Total comprehensive income for the period ended 30 September 2018</b>						
Profit after tax				-	1 650 362	1 650 362
Other comprehensive income				(1 800 772)	-	(1 800 772)
				(1 800 772)	1 650 362	(150 410)
<b>Transactions with owners recorded directly in equity</b>						
Final dividend for the year 2017 at the rate of Rs. 6.25 (62.5%) per share					(1 250 000)	(1 250 000)
1st Interim dividend paid for the year 2018 at the rate of Rs. 1.25 (12.5%) per share					(250 000)	(250 000)
2nd Interim dividend paid for the year 2018 at the rate of Rs. 1.25 (12.5%) per share					(250 000)	(250 000)
<b>Other transfer within equity</b>						
Transfer to general reserve		500 000			(500 000)	-
Balance as at 30 September 2018	2 000 000	13 500 000	12 902	(362 839)	3 790 812	18 940 875

The annexed notes 1 to 32 form an integral part of these unconsolidated condensed interim financial statements.

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

ALTAF GOKAL  
Chief Financial Officer &  
Corporate Secretary

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018

## Notes to the Unconsolidated Condensed Interim Financial Statements For the nine months period ended 30 September 2018 (Unaudited)

### 1. Legal status and nature of business

EFU General Insurance Limited (the Company) was incorporated as a public limited company on 02 September 1932. The Company is listed on the Pakistan Stock Exchange and is engaged in non-life insurance business comprising of fire and property, marine, motor, miscellaneous etc.

The registered office of the Company is situated in Islamabad while the principal place of business is located at EFU House, M.A. Jinnah Road, Karachi. The Company commenced Window Takaful Operations from 16 April 2015 as per Securities and Exchange Commission of Pakistan (SECP) Takaful Rules, 2012. The Company operates through 52 (2017: 52) branches in Pakistan including a branch in Export Processing Zone (EPZ).

- 1.1 During the year, the Company has assessed its control position in relation to its investments in EFU Life Assurance Limited after its agreement with some shareholders of EFU Life Assurance Limited effective 31 March 2018, accordingly it has been concluded that the Company has the ability to control the composition of the Board of Directors of EFU Life Assurance Limited, therefore EFU Life Assurance Limited has become the subsidiary of the Company from 31 March 2018.

### 2. Basis of preparation and statement of compliance

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012. Where the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017 Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 have been followed. Total assets, total liabilities and profit of the Window Takaful Operations of the Company referred to as the Operator's Fund has been presented in these unconsolidated condensed interim financial statement in accordance with the requirements of Circular 25 of 2015 dated July 9, 2015. A separate set of condensed interim financial statements of the General Window Takaful Operations has been reported which is annexed to these unconsolidated condensed interim financial statements as per the requirements of the SECP Takaful Rules, 2012.

These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2017.

### 3. Basis of measurement

- 3.1 The unconsolidated condensed interim financial statements have been prepared under the historical cost basis except for the available-for-sale investments, property and equipment and investment property that have been measured at fair value.
- 3.2 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupees in thousand, unless otherwise stated.



### 3.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective.

The following revised standards, amendments and interpretations with respect to the approved accounting standards would be effective from the dates mentioned below against the respective standard or interpretation:

#### - IFRS 9 'Financial Instruments'

IFRS 9 'Financial Instruments' and amendment - Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 July 2018 and 1 January 2019 respectively). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments. A new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The Company is currently in the process of analyzing the potential impact of changes required in classification and measurement of financial instruments and the impact of expected loss model on adoption of the standard.

#### - IFRS 15 'Revenue from contracts with customers'

IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 July 2018). IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes'. The Company is currently in the process of analyzing the potential impact of changes required in revenue recognition policies on adoption of the standard.

#### - IFRS 16 'Leases'

IFRS 16 'Leases' (effective for annual period beginning on or after 1 January 2019). IFRS 16 replaces existing leasing guidance including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC 15 'Operating Leases - Incentives' and SIC 27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessor continue to classify leases as finance or operating leases. The Company is currently in the process of analyzing the potential impact of its lease arrangements that will result in recognition of right to use assets and liabilities on adoption of the standard.

## 4. Summary of significant accounting policies

The accounting policies and method of computation adopted in the preparation of the unconsolidated condensed interim financial statement are consistent with those followed in the preparation of the annual financial statements of the Company for the year ended 31 December 2017 except for available-for-sale investments, property and equipment, investment property and format for preparation of unconsolidated condensed interim financial statements as disclosed in note 4.1.1, 4.1.2, 4.1.3, 4.1.4 and 4.1.5 respectively.

Certain amendments and interpretations to approved accounting standards became effective during the period were not relevant to the Company's operation and do not have any impact on the accounting policies of the Company.

### 4.1 Change in accounting policies

- 4.1.1 During the period, the Company has changed its accounting policy for the valuation of the available-for-sale investments to comply with the requirements of the 'Insurance Rules, 2017' issued by Securities and Exchange Commission of Pakistan vide its S.R.O. 89(1) / 2017 dated 09 February 2017. In line with the requirements provided in the Rules, the quoted available-for-sale investments are to be valued at market value and any unrealised gains or losses arising on

revaluation of available-for-sale investments are taken to Other Comprehensive Income and transferred to revaluation reserves, whereas unquoted available-for-sale investments are valued at cost less impairment in value, if any. On derecognition or impairment of available-for-sale investments, the cumulative gains or losses previously reported in revaluation reserves are reclassified to Profit and Loss Account for the period. This change in accounting policy has been applied retrospectively in accordance with the requirement of IAS 8 'Accounting Policy, Change in Accounting Estimates and Error' and comparatives have been restated accordingly.

Previously, quoted available-for-sale investments were stated at the lower of cost or market value (market value being taken as lower if the reduction is other than temporary) in accordance with the requirements of the SEC (Insurance) Rules, 2002.

Had the accounting policy not been changed, available-for-sale investments, reserves and deferred taxation would have been higher by Rs.298 million, Rs.361 million and Rs.63 million (December 2017: lower by Rs.2,054 million, Rs.1,438 million and Rs.616 million) respectively.

- 4.1.2 During the period, the Company has changed its accounting policy for valuation of investment properties from cost model to fair value model as per IAS 40 investment property. This change in accounting policy has been applied retrospectively in accordance with the requirement of IAS 8 'Accounting Policy, Change in Accounting Estimates and Error'. The comparatives have been restated accordingly.

Had the accounting policy not been changed, investment property and deferred taxation would have been lower by Rs.1,764 million and Rs. 512 million (December 2017: Rs. 1,697 million, and Rs. 502 million) respectively.

- 4.1.3 During the period, the Company has changed its accounting policy for its land and building and related assets from cost model to revaluation model. Revaluation was carried out by the independent valuer. Surplus on revaluation is credited to surplus on revaluation account. This change in policy has been applied prospectively.

Had the accounting policy not been changed, property and equipment and deferred taxation would have been lower by Rs.1,199 million and Rs.348 million respectively.

- 4.1.4 During the period, the Company has changed format for preparation of its unconsolidated condensed interim financial statements to comply with the requirements of the 'Insurance Rules, 2017' issued by SECP vide its S.R.O. 89(1)/2017 dated 09 February 2017. In line with the requirements provided in the Rules, accordingly these are the first set of unconsolidated condensed interim financial statements of the Company for the nine months period ended 30 September 2018.

- 4.1.5 During the period, the Company has changed its accounting policy for 'Investments in subsidiaries and associates' which were being accounted for by using the equity method of accounting are now accounted for at fair value and classified as available-for-sale investments in accordance with the International Accounting Standards 39 'Financial instruments: Recognition and measurement'. The management of the Company believes that the new policy provides more relevant information to the users of these unconsolidated condensed interim financial statements. This change in accounting policy has been applied retrospectively in accordance with the requirement of IAS 8 'Accounting Policy, Change in Accounting Estimates and Error'. The comparatives have been restated accordingly.

- 4.1.6 As per note 4.1.1, 4.1.2, 4.1.4 and 4.1.5 retrospective adjustments have been made in these unconsolidated condensed interim financial statements and comparatives have been revised as follows:

Had the accounting policy not been changed, investment in subsidiary would be higher by Rs.3,737 million.



Rupees '000

	31 December 2017			31 December 2016		
	Balance Previously Reported	Adjustment	Balance Restated	Balance Previously Reported	Adjustment	Balance Restated
Property and equipment	1 222 290	66 733	1 289 023	1 084 911	63 290	1 148 201
Investment property	149 120	1 697 973	1 847 093	174 081	1 374 465	1 548 546
Investments in subsidiary / associate	12 131 105	( 1 131 656 )	10 999 449	11 949 485	( 2 664 443 )	9 285 042
<b>Investments</b>						
Equity securities	2 505 215	3 914 209	6 419 424	3 195 534	6 297 885	9 493 419
Debt securities	8 533 957	( 6 689 )	8 527 268	5 191 510	72 882	5 264 392
Total assets from window takaful operations - Operator's fund	433 587	( 107 )	433 480	267 353	( 143 )	267 210
Deferred taxation	( 376 377 )	( 746 399 )	( 1 122 776 )	( 380 062 )	( 957 123 )	( 1 337 185 )
Reserves	( 13 012 902 )	( 1 437 933 )	( 14 450 835 )	( 12 512 902 )	( 1 983 218 )	( 14 496 120 )
Unappropriated profit	( 2 034 319 )	( 2 356 131 )	( 4 390 450 )	( 2 388 169 )	( 2 199 620 )	( 4 587 789 )
						Nine months period ended 30 September 2017 (Unaudited)
<b>Impact on profit and loss account</b>						<u>96 136</u>
Profit after tax would have been higher by						<u>0.49</u>
Earnings per share would have been higher by						<u>0.49</u>

4.1.7 During the period, the Companies Act, 2017 has been implemented, however there is no impact on the unconsolidated condensed interim financial statements.

## 5. Accounting estimates and judgements

The preparation of these unconsolidated condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparation of these unconsolidated condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation, uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2017 except for those mentioned in note 4.1.

## 6. Management of insurance and financial risk

Insurance and financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2017.



## 7. Property and equipment

The details of additions and disposals during the nine months period ended 30 September 2018 are as follows:

	Additions (at cost)		Disposals (at net book value)	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
				Rupees '000
Buildings	60 780	55 207	–	–
Furniture and fixtures	32 278	15 036	–	–
Office equipments	14 088	5 467	257	–
Tracker equipments	69 001	74 921	–	–
Computers	18 196	7 006	–	–
Vehicles	76 837	108 052	3 214	3 353
Capital work-in-progress	3 570	–	–	–
	<u>274 750</u>	<u>265 689</u>	<u>3 471</u>	<u>3 353</u>

## 8. Investment property

	30 September 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
Opening net book value	1 847 093	1 548 008
Additions and capital improvements	10 169	317
Unrealized fair value gain	–	298 768
Closing book value	<u>1 857 262</u>	<u>1 847 093</u>

## 9. Investment in equity securities – Available-for-sale

	30 September 2018 (Unaudited)			31 December 2017 (Audited) (Restated)		
	Cost	Impairment/ provision	Carrying value	Cost	Impairment/ provision	Carrying value
<b>Subsidiary</b>						
Listed shares	12 852 671	–	12 852 671	–	–	–
Deficit on revaluation (refer note 1.1 and 4.1.5)	(3 737 305)	–	(3 737 305)	–	–	–
<b>Associate</b>						
Listed shares	–	–	–	12 852 671	–	12 852 671
Deficit on revaluation (refer note 1.1 and 4.1.5)	–	–	–	(1 853 223)	–	(1 853 223)
	<u>9 115 366</u>	<u>–</u>	<u>9 115 366</u>	<u>10 999 448</u>	<u>–</u>	<u>10 999 448</u>
<b>Related Party*</b>						
Listed shares	444 664	15 828	428 836	444 664	28 753	415 911
	<u>9 560 030</u>	<u>15 828</u>	<u>9 544 202</u>	<u>11 444 112</u>	<u>28 753</u>	<u>11 415 359</u>
<b>Others</b>						
Listed shares	1 929 097	91 710	1 837 387	2 133 539	54 735	2 078 804
Unlisted shares	15 500	–	15 500	10 500	–	10 500
	<u>1 944 597</u>	<u>91 710</u>	<u>1 852 887</u>	<u>2 144 039</u>	<u>54 735</u>	<u>2 089 304</u>
Surplus on revaluation	3 466 879	–	3 466 879	3 914 210	–	3 914 210
	<u>14 971 506</u>	<u>107 538</u>	<u>14 863 968</u>	<u>17 502 361</u>	<u>83 488</u>	<u>17 418 873</u>

\* The Company has not accounted for investment in related parties as associates under IAS-28 'Investment in Associates and Joint Ventures', as management has concluded that the Company does not have significant influence in these companies.



## 10. Investment in debt securities – Available-for-sale

Rupees '000

	30 September 2018 (Unaudited)			31 December 2017 (Audited) (Restated)		
	Cost	Impairment/ provision	Carrying value	Cost	Impairment/ provision	Carrying value
Government securities	8 475 763	–	8 475 763	8 533 957	–	8 533 957
Term finance certificate	44 118	44 118	–	44 118	44 118	–
Deficit on revaluation	(31 863)	–	(31 863)	(6 689)	–	(6 689)
	<u>8 488 018</u>	<u>44 118</u>	<u>8 443 900</u>	<u>8 571 386</u>	<u>44 118</u>	<u>8 527 268</u>

## 11. Loans and other receivables – considered good

	Note	30 September 2018 (Unaudited)	31 December 2017 (Audited)
Loans to employees		5 326	5 393
Accrued investment income		72 850	66 616
Security deposits		8 500	7 780
Advances to suppliers		57 183	33 115
Advances to employees		5 271	3 665
Others receivables		18 822	2 049
		<u>167 952</u>	<u>118 618</u>
<b>12. Insurance / reinsurance receivables – unsecured and considered good</b>			
Due from insurance contract holders		3 250 419	2 829 996
Provision for impairment of receivables from insurance contract holders		(48 109)	(27 814)
		<u>3 202 310</u>	<u>2 802 182</u>
Due from other insurer / reinsurers		15 602	16 887
		<u>3 217 912</u>	<u>2 819 069</u>
<b>13. Prepayments</b>			
Prepaid reinsurance premium ceded	18	5 149 467	5 112 083
Prepaid rent		21 098	12 703
Others		112 116	77 395
		<u>5 282 681</u>	<u>5 202 181</u>
<b>14. Cash and bank</b>			
Cash and cash equivalents			
Cash in hand		1 019	2
Policy and revenue stamps, bond papers		12 068	9 802
		13 087	9 804
Cash at bank			
Current accounts		194 313	233 422
Saving accounts		905 266	920 983
		<u>1 099 579</u>	<u>1 154 405</u>
		<u>1 112 666</u>	<u>1 164 209</u>
<b>15. Reserves</b>			
General reserve		13 500 000	13 000 000
Reserve for exceptional losses	15.1	12 902	12 902
Revaluation reserve - Available-for-sale investments		(362 839)	1 437 933
		<u>13 150 063</u>	<u>14 450 835</u>

- 15.1 The reserve for exceptional losses was created prior to 1979 and was charged to income in accordance with the provisions of the repealed Income Tax Act, 1922 and has been so retained to date.

## 16. Others creditors and accruals

Rupees '000

	30 September 2018 ( Unaudited )	31 December 2017 ( Audited )
Federal insurance fee payable	7 896	12 510
Federal excise duty and sales tax payable	95 946	170 800
Accrued expenses	205 643	227 879
Agent commission payable	603 515	499 929
Unearned rentals	45 523	70 986
Other deposits	724 828	543 677
Unclaimed dividends	266 647	196 503
Others	49 772	92 103
	1 999 770	1 814 387

## 17. Contingencies and commitments

- 17.1 The income tax assessment of the Company has been finalised up to tax year 2017.

The Income Tax Department have made assessment order for assessment year 1999-2000 and 2000-2001 by adding back provision for bonus to staff, provision for gratuity and excess management expense. The Company had filed appeals before Commissioner Inland Revenue (Appeals). The appeals have been decided in the favour of the Income Tax Department. The Company had filed appeals before Income Tax Appellate Tribunal (ITAT). If the appeals are decided against the Company a tax liability of Rs. 13 million would arise.

The Income Tax Department (Audit) has made assessment order for assessment year 2002-2003 by adding certain items. The Company had filed appeal before Commissioner Income Tax (Appeals). The appeal was decided in the favour of the Company. The Department had filed appeal before Income Tax Appellate Tribunal (ITAT) and the same has been decided in the favour of the Company. The Department has filed appeal before Honourable High Court of Sindh against the order of Income Tax Appellate Tribunal (ITAT) in respect of estimated liability of claims, excess perquisites and retrocession commission. If the appeal is decided against the Company a tax liability of Rs. 76 million would arise.

The Commissioner Inland Revenue (Audit) has amended the tax assessment of the Company for tax year 2005 to 2007 by disallowing prorated expense. The Company has filed appeals before Commissioner Income Tax (Appeals). The appeals were decided in the favour of the Company. The Department then filed appeals before Income Tax Appellate Tribunal (ITAT). The Income Tax Appellate Tribunal (ITAT) had passed order in favour of the Company. The Department then filed reference before Honourable High Court of Sindh. The Honourable High Court of Sindh maintained the decision of Income Tax Appellate Tribunal (ITAT). The Department has filed appeals for the tax year 2005 to 2007 before Honourable Supreme Court of Pakistan against the decision of the Honourable High Court of Sindh in respect of proration of expenses and if the appeals are decided against the Company, a tax liability of Rs. 37 million would arise.

The Department has filed appeal for tax year 2008 before Honourable High Court of Sindh against order of Income Tax Appellate Tribunal (ITAT) in respect of tax on reinsurance premium. If the appeal is decided against the Company, a tax liability of Rs. 5 million would arise.

The Department has filed appeal for tax years 2014 and 2016 before Income Tax Appellate Tribunal (ITAT) against order of Commissioner (Appeal) in respect of Dividend Income taxed at reduced rate. If the appeal is decided against the Company, a tax liability of Rs. 243 million would arise.

No provision has been made in these unconsolidated condensed interim financial statements for the above contingencies, as the management, based on tax advisor's opinion, is confident that the decision in this respect will be received in favour of the Company.



- 17.2 In 2014, 2015, 2016 and 2017, the Searle Company Limited issued bonus shares (453,612, 312,993, 664,632 and 472,284 shares respectively) after withholding 5 percent of bonus shares (22,680, 15,650, 34,981 and 24,857 shares respectively). In this regard, a constitutional petition had been filed by the Company in Honourable High Court of Sindh challenging the applicability of withholding tax provision on bonus shares received by the Company. The Honourable High Court of Sindh decided the case against the Company. Subsequently, the Company filed an appeal with a larger bench of the Honourable High Court of Sindh and in response; the Sindh High Court has suspended the earlier judgement until the next date of hearing, which has not yet been decided. Consequently, the Company has not paid / provided an amount of Rs. 37.09 million being withholding tax on bonus shares.
- 17.3 There are no commitments as at 30 September 2018 (31 December 2017: Nil).

## 18. Net insurance premium

Rupees '000

	Three months period ended		Nine months period ended	
	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)
Written gross premium	5 321 509	6 091 957	14 426 474	15 276 621
Unearned premium reserve - opening	7 872 446	8 220 943	8 496 686	7 388 680
Unearned premium reserve - closing	( 8 622 976 )	( 9 672 303 )	( 8 622 976 )	( 9 672 303 )
Premium earned	4 570 979	4 640 597	14 300 184	12 992 998
Less:				
Reinsurance premium ceded	2 792 091	3 189 936	8 397 950	8 711 062
Prepaid reinsurance premium - opening	4 661 962	5 077 107	5 112 083	4 151 674
Prepaid reinsurance premium - closing	( 5 149 467 )	( 5 853 967 )	( 5 149 467 )	( 5 853 967 )
Reinsurance expense	2 304 586	2 413 076	8 360 566	7 008 769
	<u>2 266 393</u>	<u>2 227 521</u>	<u>5 939 618</u>	<u>5 984 229</u>
<b>19. Net insurance claims expense</b>				
Claims paid	1 002 284	1 154 691	3 533 570	3 706 172
Outstanding claims including IBNR - closing	5 310 033	6 299 152	5 310 033	6 299 152
Outstanding claims including IBNR - opening	( 5 097 810 )	( 6 056 515 )	( 5 572 347 )	( 5 415 030 )
Claims expense	1 214 507	1 397 328	3 271 256	4 590 294
Less:				
Reinsurance and other recoveries received	264 267	404 987	1 196 331	1 531 639
Reinsurance and other recoveries in respect of outstanding claims - opening	( 3 102 972 )	( 4 029 952 )	( 3 538 572 )	( 3 424 617 )
Reinsurance and other recoveries in respect of outstanding claims - closing	3 243 787	4 186 575	3 243 787	4 186 575
Reinsurance and other recoveries revenue	405 082	561 610	901 546	2 293 597
	<u>809 425</u>	<u>835 718</u>	<u>2 369 710</u>	<u>2 296 697</u>

**20. Net comission expense**

Rupees '000

	Three months period ended 30 September (Unaudited)		Nine months period ended 30 September (Unaudited)	
	2018	2017	2018	2017
Commission paid or payable	519 815	604 609	1 171 867	1 438 290
Deferred commission expense - opening	537 207	684 922	689 587	564 645
Deferred commission expense - closing	( 698 991 )	( 883 224 )	( 698 991 )	( 883 224 )
Net commission	358 031	406 307	1 162 463	1 119 711
Less:				
Commission received or recoverable	323 175	355 745	715 402	842 513
Unearned reinsurance commission - opening	386 483	395 348	461 616	343 977
Unearned reinsurance commission - closing	( 426 345 )	( 497 412 )	( 426 345 )	( 497 412 )
Commission from reinsurer	283 313	253 681	750 673	689 078
	74 718	152 626	411 790	430 633
<b>21. Investment income</b>				
Income from equity securities - available-for-sale				
Dividend income	99 983	75 679	780 115	793 908
Income from debt securities - available-for-sale				
Return on debt securities	143 495	109 246	394 283	338 020
Income from term deposits				
Return on term deposits	2 765	2 882	8 752	9 501
	246 243	187 807	1 183 150	1 141 429
Net realised gains / (losses) on investments				
Available-for-sale financial assets				
Realised gains on:				
Equity securities	-	649	7 828	98 211
Debt securities	-	-	-	26 951
Realised losses on:				
Equity securities	-	( 16 427 )	( 17 972 )	( 18 099 )
Debt securities	-	-	-	( 480 )
	-	( 15 778 )	( 10 144 )	106 583
	246 243	172 029	1 173 005	1 248 012
(Impairment) / reversal in value of available-for-sale equity securities	( 13 325 )	8 465	( 28 249 )	( 20 769 )
Investment related expenses	( 204 )	( 220 )	( 807 )	( 1 035 )
Total investment income	232 714	180 274	1 143 949	1 226 208
<b>22. Other Income</b>				
Gain on sale of fixed assets	1 472	7 111	17 721	29 177
Interest on loans to employees	105	86	278	156
Profit on bank deposits	23 632	21 324	57 632	53 980
	25 209	28 521	75 631	83 313



## 23. Window takaful operations - Operator's fund

Rupees '000

	Three months period ended		Nine months period ended		
	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)	
Wakala fee	129 821	78 971	354 747	207 491	
Management expenses	( 59 667 )	( 46 746 )	( 168 901 )	( 122 017 )	
Commission expense	( 45 874 )	( 25 244 )	( 119 996 )	( 67 241 )	
Investment income / (loss)	6 307	( 1 010 )	15 438	5 029	
Other income	1 536	2 592	4 512	4 332	
Other expenses	( 134 )	( 113 )	( 581 )	( 533 )	
Profit for the period	<u>31 989</u>	<u>8 450</u>	<u>85 219</u>	<u>27 061</u>	
<b>24. Taxation</b>					
For the period					
– Current	255 538	264 863	830 866	868 705	
– Prior year	46 340	( 33 820 )	148 632	64 946	
	301 878	231 043	979 498	933 651	
Deferred tax	112 546	2 659	( 23 572 )	( 11 709 )	
	<u>414 424</u>	<u>233 702</u>	<u>955 926</u>	<u>921 942</u>	
<b>25. Earnings per share - basic and diluted</b>					
Profit after tax	(Rupees '000)	639 120	661 889	1 650 362	1 959 035
Weighted average number of ordinary shares	(Numbers '000)	200 000	200 000	200 000	200 000
Earnings per share	(Rupees)	<u>3.20</u>	<u>3.31</u>	<u>8.25</u>	<u>9.80</u>

## 26. Related party transactions

Related parties comprise of directors, major shareholders, key management personnel, associated companies, subsidiary company, entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. The transactions and balances with related parties other than those which have been specifically disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

Rupees '000

	Three months period ended		Nine months period ended	
	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)
<b>Transactions</b>				
<b>Subsidiary company</b>				
Premium written	3 806	–	5 787	–
Premium paid	15 554	–	15 849	–
Claims paid	3 086	–	5 399	–
Dividends received	54 241	–	596 641	–
Dividends paid	5 851	–	40 958	–
<b>Associated companies</b>				
Premium written	63 145	53 811	266 575	195 484
Premium paid	–	3 860	28 145	34 310
Claims paid	21 888	25 711	159 262	66 682
Dividends received	–	53 865	–	624 835
Dividends paid	74 127	87 588	510 394	617 413
Bank deposits withdrawn	–	–	( 75 000 )	–
<b>Key management personnel</b>				
Premium written	–	( 149 )	250	405
Claims paid	–	–	–	202
Dividends paid	1 054	1 048	7 364	7 964
Compensation	48 082	51 454	139 456	136 578
<b>Others</b>				
Premium written	4 631	4 460	22 568	19 290
Claims paid	211	203	2 680	1 905
Investments made	–	–	–	200 000
Investments sold	–	–	–	225 000
Dividends paid	92 278	86 507	550 498	563 064
Brokerage paid	–	13	236	112
<b>Employees' funds</b>				
Contribution to provident fund	7 086	6 422	19 229	18 051
Contribution to gratuity fund	4 885	6 474	14 656	14 172
Contribution to pension fund	926	54	2 779	657
Dividends paid	1 289	1 288	9 020	9 793



Rupees '000

	30 September 2018 (Unaudited)	31 December 2017 (Audited)
<b>Balances</b>		
<b>Others</b>		
Balances receivable	14 105	15 131
Balances payable	( 73 )	( 73 891 )
Deposits maturing within 12 months	79 000	154 000
Bank balances	146 322	106 039
<b>Employees' funds payable</b>		
EFU gratuity fund	( 14 656 )	( 40 510 )
EFU pension fund	( 33 931 )	( 31 295 )

## 27. Segment information

	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Nine months period ended 30 September 2018 (Unaudited)
Premium receivable (inclusive of FED, Federal insurance fee and Administrative surcharge)	9 619 313	2 378 524	3 198 915	1 429 984	-	16 626 736
Less: Federal excise duty	1 155 500	260 215	384 362	161 004	-	1 961 081
Stamp duty	461	92 222	1 157	1 134	-	94 974
Federal insurance fee	83 751	20 044	27 857	12 555	-	144 207
Gross written premium (inclusive of Administrative surcharge)	8 379 601	2 006 043	2 785 539	1 255 291	-	14 426 474
Gross direct premium	8 343 765	1 965 946	2 505 598	1 236 529	-	14 051 838
Facultative inward premium	4 571	1 470	-	-	-	6 041
Administrative surcharge	31 265	38 627	279 941	18 762	-	368 595
Insurance premium earned	8 803 973	1 823 468	2 549 963	1 122 780	-	14 300 184
Insurance premium ceded to reinsurers	7 031 654	654 059	8 062	666 791	-	8 360 566
Net insurance premium	1 772 319	1 169 409	2 541 901	455 989	-	5 939 618
Commission income	563 289	18 876	-	168 508	-	750 673
Net underwriting income	2 335 608	1 188 285	2 541 901	624 497	-	6 690 291
Insurance claims	1 015 140	643 810	1 274 801	337 505	-	3 271 256
Insurance claims recovered from reinsurers	535 374	192 897	( 67 )	173 342	-	901 546
Net claims	479 766	450 913	1 274 868	164 163	-	2 369 710
Commission expense	655 974	209 174	211 838	85 477	-	1 162 463
Management expenses	581 326	346 575	837 611	146 921	-	1 912 433
Net insurance claims and expenses	1 717 066	1 006 662	2 324 317	396 561	-	5 444 606
Underwriting result	618 542	181 623	217 584	227 936	-	1 245 685
Net investment income						1 143 949
Rental income						77 287
Other income						75 631
Other expenses						( 42 769 )
Finance cost						21 286
Profit from window takaful operations - Operator's fund						85 219
Profit before tax						2 606 288



						Rupees '000
	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	As at 30 September 2018 (Unaudited)
Corporate segment assets	9 187 212	1 306 367	754 612	1 146 424	–	12 394 615
Corporate segment assets - Takaful OPF	51 033	7 811	259 768	18 209	–	336 821
Corporate unallocated assets						29 470 088
Corporate unallocated assets - Takaful OPF						282 526
Total assets						<u>42 484 050</u>
Corporate segment liabilities	12 953 031	2 164 464	2 672 020	2 715 299	–	20 504 814
Corporate segment liabilities - Takaful OPF	46 583	6 371	293 550	14 705	–	361 209
Corporate unallocated liabilities						1 824 226
Corporate unallocated liabilities - Takaful OPF						1 794
Total liabilities						<u>22 692 043</u>
	External premium less reinsurance by geographical segments 2018 (Unaudited)					
Location						
Pakistan	5 928 221					
*EPZ	11 397					
Total	<u>5 939 618</u>					
* This represents US Dollar Equivalent in Pak Rupees						Nine months period ended 30 September 2017 (Unaudited)
	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	(Unaudited)
Premium receivable (inclusive of FED, Federal insurance fee and Administrative surcharge)	10 942 540	2 212 519	3 196 645	1 307 803	–	17 659 507
Less: Federal excise duty	1 379 732	248 749	385 258	140 185	–	2 153 924
Stamp duty	504	72 837	1 265	1 399	–	76 005
Federal insurance fee	94 705	18 749	27 895	11 608	–	152 957
Gross written premium (inclusive of Administrative surcharge)	9 467 599	1 872 184	2 782 227	1 154 611	–	15 276 621
Gross direct premium	9 422 366	1 834 026	2 499 334	1 132 336	–	14 888 062
Facultative inward premium	14 288	1 113	–	–	–	15 401
Administrative surcharge	30 945	37 045	282 893	22 275	–	373 158
Insurance premium earned	7 740 878	1 626 332	2 577 779	1 048 009	–	12 992 998
Insurance premium ceded to reinsurers	5 904 345	522 856	13 151	568 417	–	7 008 769
Net insurance premium	1 836 533	1 103 476	2 564 628	479 592	–	5 984 229
Commission income	520 074	22 883	–	146 121	–	689 078
Net underwriting income	2 356 607	1 126 359	2 564 628	625 713	–	6 673 307
Insurance claims	2 531 815	454 300	1 271 621	332 558	–	4 590 294
Insurance claims recovered from reinsurers	2 061 286	52 226	(82)	180 167	–	2 293 597
Net claims	470 529	402 074	1 271 703	152 391	–	2 296 697
Commission expense	630 139	192 859	213 959	82 754	–	1 119 711
Management expenses	545 266	301 282	761 521	141 531	–	1 749 600
Net insurance claims and expenses	1 645 934	896 215	2 247 183	376 676	–	5 166 008
Underwriting result	<u>710 673</u>	<u>230 144</u>	<u>317 445</u>	<u>249 037</u>	<u>–</u>	1 507 299
Net investment income						1 226 208
Rental income						71 643
Other income						83 313
Other expenses						(35 070)
Finance cost						523
Profit from window takaful operations - Operator's fund						27 061
Profit before tax						<u>2 880 977</u>



	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Rupees '000 As at 31 December 2017 (Audited) (Restated)
Corporate segment assets	9 623 292	1 020 762	579 921	1 003 794	–	12 227 769
Corporate segment assets - Takaful OPF	26 159	4 429	144 487	6 942	–	182 017
Corporate unallocated assets						30 981 529
Corporate unallocated assets - Takaful OPF						251 463
Total assets						<u>43 642 778</u>
Corporate segment liabilities	14 035 587	1 855 601	2 450 302	2 256 262	–	20 597 752
Corporate segment liabilities - Takaful OPF	22 634	4 009	194 668	15 380	–	236 691
Corporate unallocated liabilities						1 965 363
Corporate unallocated liabilities - Takaful OPF						1 687
Total liabilities						<u>22 801 493</u>

External premium  
less reinsurance by  
geographical segments  
2017  
(Unaudited)

Location

Pakistan	5 971 684
*EPZ	12 545
Total	<u>5 984 229</u>

\* This represents US Dollar Equivalent in Pak Rupees

	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Three months period ended 30 September 2018 (Unaudited)
Premium receivable (inclusive of FED, Federal insurance fee and Administrative surcharge)	3 666 107	756 926	1 283 230	409 719	–	6 115 982
Less: Federal excise duty	426 990	83 055	152 132	44 475	–	706 652
Stamp duty	239	33 627	395	365	–	34 626
Federal insurance fee	32 046	6 337	11 197	3 615	–	53 195
Gross written premium (inclusive of Administrative surcharge)	3 206 832	633 907	1 119 506	361 264	–	5 321 509
Gross direct premium	3 188 469	620 284	1 023 040	353 382	–	5 185 175
Facultative inward premium	2 346	–	–	–	–	2 346
Administrative surcharge	16 017	13 623	96 466	7 882	–	133 988
Insurance premium earned	2 716 073	622 728	852 455	379 723	–	4 570 979
Insurance premium ceded to reinsurers	1 879 474	206 793	3 249	215 070	–	2 304 586
Net insurance premium	836 599	415 935	849 206	164 653	–	2 266 393
Commission income	225 892	4 291	–	53 130	–	283 313
Net underwriting income	1 062 491	420 226	849 206	217 783	–	2 549 706
Insurance claims	402 583	238 123	430 782	143 019	–	1 214 507
Insurance claims recovered from reinsurers	291 911	30 944	3	82 224	–	405 082
Net claims	110 672	207 179	430 779	60 795	–	809 425
Commission expense	189 487	69 106	70 163	29 275	–	358 031
Management expenses	238 429	107 053	248 798	46 781	–	641 061
Net insurance claims and expenses	538 588	383 338	749 740	136 851	–	1 808 517
Underwriting result	523 903	36 888	99 466	80 932	–	741 189
Net investment income						232 714
Rental income						27 292
Other income						25 209
Other expenses						(9 982)
Finance cost						5 133
Profit from window takaful operations - Operator's fund						31 989
Profit before tax						<u>1 053 544</u>

	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Rupees '000 Three months period ended 30 September 2017 (Unaudited)
Premium receivable (inclusive of FED, Federal insurance fee and Administrative surcharge)	4 751 509	673 746	1 208 597	409 889	–	7 043 741
Less: Federal excise duty	600 513	76 174	145 089	44 902	–	866 678
Stamp duty	249	22 001	431	345	–	23 026
Federal insurance fee	42 300	5 781	10 414	3 585	–	62 080
Gross written premium (inclusive of Administrative surcharge)	4 108 447	569 790	1 052 663	361 057	–	6 091 957
Gross direct premium	4 093 656	558 286	963 048	352 676	–	5 967 666
Facultative inward premium	–	–	–	–	–	–
Administrative surcharge	14 791	11 504	89 615	8 381	–	124 291
Insurance premium earned	2 875 330	552 421	866 262	346 584	–	4 640 597
Insurance premium ceded to reinsurers	2 027 902	188 369	4 977	191 828	–	2 413 076
Net insurance premium	847 428	364 052	861 285	154 756	–	2 227 521
Commission income	201 107	5 611	–	46 963	–	253 681
Net underwriting income	1 048 535	369 663	861 285	201 719	–	2 481 202
Insurance claims	641 214	226 363	405 268	124 483	–	1 397 328
Insurance claims recovered from reinsurers	462 373	39 123	11	60 103	–	561 610
Net claims	178 841	187 240	405 257	64 380	–	835 718
Commission expense	242 744	64 587	71 746	27 230	–	406 307
Management expenses	223 864	86 395	230 582	40 654	–	581 495
Net insurance claims and expenses	645 449	338 222	707 585	132 264	–	1 823 520
Underwriting result	403 086	31 441	153 700	69 455	–	657 682
Net investment income						180 274
Rental income						27 705
Other income						28 521
Other expenses						(7 364)
Finance cost						323
Profit from window takaful operations - Operator's fund						8 450
Profit before tax						895 591

## 28. Movement in investment

Name of investment	Held to maturity	Available for sale	Fair value through P & L	Deposits maturing within 12 months	Total
At beginning of previous year	–	24 040 198	–	671 880	24 712 078
Additions	–	15 282 869	–	1 623 884	16 906 753
Disposals (sale and redemptions)	–	(12 519 295)	–	(1 865 214)	(14 384 509)
Fair value net gains (excluding net realised gains)	–	(804 795)	–	–	(804 795)
Impairment losses	–	(52 836)	–	–	(52 836)
At beginning of period	–	25 946 141	–	430 550	26 376 691
Additions	–	26 293 118	–	1 257 315	27 550 433
Disposals (sale and redemptions)	–	(26 550 755)	–	(1 353 193)	(27 903 948)
Fair value net gains (excluding net realised gains)	–	(2 352 387)	–	–	(2 352 387)
Impairment losses	–	(28 249)	–	–	(28 249)
At end of period	–	23 307 868	–	334 672	23 642 540



## 29 Fair value

29.1 IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

29.2 All assets and liabilities for which fair value is measured or disclosed in the unconsolidated condensed interim financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Following are the assets where fair value is only disclosed and is different from their carrying value:

Rupees '000

	Nine months period ended 30 September 2018 (Unaudited)							
	Available- for-Sale	Loans & Receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>								
Investments								
Equity securities - quoted	14 848 468				14 848 468	14 848 468		
Equity securities - unquoted	15 500				15 500			15 500
Debt securities	8 443 900				8 443 900		8 443 900	
<b>Financial assets not measured at fair value</b>								
Term deposits*			334 672		334 672			
Loans and other receivables*		167 952			167 952			
Insurance / reinsurance receivables*		3 217 912			3 217 912			
Reinsurance recoveries against outstanding claims*		3 243 787			3 243 787			
Cash and bank*			1 112 666		1 112 666			
Total assets of window takaful operations - Operator's fund*	156 299	272 768	106 932		535 999		156 299	
	<u>23 464 167</u>	<u>6 902 419</u>	<u>1 554 270</u>	<u>-</u>	<u>31 920 856</u>	<u>14 848 468</u>	<u>8 600 199</u>	<u>15 500</u>
<b>Financial liabilities not measured at fair value</b>								
Outstanding claims including IBNR*				(5 310 033)	(5 310 033)			
Premium received in advance*				(29 864)	(29 864)			
Insurance / reinsurance payables*				(4 787 253)	(4 787 253)			
Other creditors and accruals*				(1 999 770)	(1 999 770)			
Total liabilities of window takaful operations - Operator's fund*				(70 967)	(70 967)			
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12 197 887)</u>	<u>(12 197 887)</u>	<u>-</u>	<u>-</u>	<u>-</u>

\* The Company has not disclosed the fair value of these items because their carrying amounts are reasonable approximation of fair value.

Rupees '000

As at 31 December 2017 (Audited)								
	Available- for-Sale	Other Loan & Receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>								
Investments								
Equity securities - quoted	17 408 373				17 408 373	17 408 373		
Equity securities - unquoted	10 500				10 500			10 500
Debt securities	8 527 268				8 527 268		8 527 268	
<b>Financial assets not measured at fair value</b>								
Term deposits*			430 550		430 550			
Loans and other receivables*		118 618			118 618			
Insurance / reinsurance receivables*		2 819 069			2 819 069			
Reinsurance recoveries against outstanding claims*		3 538 572			3 538 572			
Cash and bank*			1 164 209		1 164 209			
Total assets of Window Takaful Operations - Operator's Fund*	30 482	125 198	210 264		365 944		30 482	
	<u>25 976 623</u>	<u>6 601 457</u>	<u>1 805 023</u>	<u>-</u>	<u>34 383 103</u>	<u>17 408 373</u>	<u>8 557 750</u>	<u>10 500</u>
<b>Financial liabilities not measured at fair value</b>								
Outstanding claims including IBNR*				(5 572 347)	(5 572 347)			
Premium received in advance*				(31 487)	(31 487)			
Insurance / reinsurance payables*				(4 992 011)	(4 992 011)			
Other creditors and accruals*				(1 814 387)	(1 814 387)			
Total liabilities of Window Takaful Operations - Operator's Fund*				(31 382)	(31 382)			
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12 441 614)</u>	<u>(12 441 614)</u>	<u>-</u>	<u>-</u>	<u>-</u>

\* The Company has not disclosed the fair value of these items because their carrying amounts are reasonable approximation of fair value.



### 30. Corresponding Figures

During last year the SECP vide SRO 89(I)/2017 dated 09 February 2017 has issued Insurance Rules, 2017 (the Rules), which requires every Company to prepare their financial statements as per the presentation and disclosure requirement prescribed in the format, in view of the applicability of the Rules, the Company has changed the presentation and disclosures of the unconsolidated condensed interim financial statements and recorded its investments as per IAS 39, which was further explained in note 4.1.1.

### 31. General

31.1 Figures have been rounded off to the nearest thousand rupees.

31.2 The effects of changes stated in note 4.1 have been accounted for retrospectively in accordance with IAS-8 'Accounting Policies, Changes in Accounting Estimates and Errors', resulting in restatement of financial statements of prior periods. Resultantly, the cumulative effect of adjustments that arose as at 01 January 2017 and 01 January 2018 have been presented and disclosed as part of the statement of changes in equity, while the corresponding period adjustment through other comprehensive income and profit or loss is restated and disclosed as part of the Statement of Comprehensive Income and Profit and Loss Account respectively. The Statement of Financial Position also presents the prior year numbers as restated, due to the said change.

### 32. Date of authorisation for issue of unconsolidated condensed interim financial statements

These unconsolidated condensed interim financial statements were authorised for issue by the Board of Directors in its meeting held on 27 October 2018.

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

ALTAF GOKAL  
Chief Financial Officer &  
Corporate Secretary

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018

# Consolidated Condensed Interim Financial Statements (Unaudited)

For the nine months period ended 30 September 2018

## Directors' Review

We are pleased to present the consolidated condensed interim financial information of EFU General Insurance Limited and our subsidiary, EFU Life Assurance Company Limited. The Consolidation has been effective from 31 March 2018, therefore, the consolidation of subsidiary's results in Consolidated Profit and Loss Account is for six months period from 1 April 2018 to 30 September 2018.

Consolidated gross premium was Rs. 28 billion, net premium was Rs. 19 billion and profit after tax was Rs. 1,760 million. The consolidated total assets were Rs. 156 billion.

The following appropriation of profit has been recommended by the Board of Directors:

Rupees '000

	30 September 2018 (Unaudited)
Profit before tax	2 876 519
Taxation	( 1 116 565 )
Profit after tax	1 759 954
Profit attributable to non-controlling interest	( 399 783 )
Profit attributable to ordinary shares	1 360 171
Unappropriated profit brought forward	4 390 450
Profit available for appropriation	5 750 621
<b>Appropriation</b>	
Cash dividend - Final 2017	( 1 250 000 )
Cash dividend - 1st Interim 2018	( 250 000 )
Cash dividend - 2nd Interim 2018	( 250 000 )
Transfer to general reserve	( 500 000 )
Total appropriation	( 2 250 000 )
Profit after appropriation	3 500 621
<b>Earnings per share</b>	<b>6.80</b>

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018



## ڈائریکٹرز رپورٹ

(یہ انگریزی ڈائریکٹرز رپورٹ کا ترجمہ ہے)

ہم بمسرت ای ایف یو جنرل انشورنس لمیٹڈ اور ہمارے ذیلی ادارے ای ایف یو لائف ایشورنس کمپنی لمیٹڈ کے مجموعی کنڈینسڈ عبوری مالیاتی حسابات پیش کر رہے ہیں۔ کنسالڈیشن ۳۱ مارچ ۲۰۱۸ء سے موثر العمل ہے لہذا مجموعی نفع و نقصان کے کھاتے میں ذیلی ادارے کے نتائج کا مجموعہ یکم اپریل ۲۰۱۸ء سے ۳۰ ستمبر ۲۰۱۸ء تک چھ ماہ کی مدت کیلئے ہے۔

کنسالڈیشن مجموعی پریمیم ۲۸ بلین روپے، خالص پریمیم ۱۹ بلین روپے اور منافع بعد از ٹیکس ۷۰،۷۰۰ بلین روپے تھا۔ مجموعی طور پر کل اثاثہ جات ۱۵۶ بلین روپے تھے۔ بورڈ آف ڈائریکٹرز کی جانب سے منافع جات کے درج ذیل تناسب کی سفارش کی گئی ہے۔

روپے ہزاروں میں

۳۰ ستمبر ۲۰۱۸ء  
(غیر آڈٹ شدہ)

2 876 519
( 1 116 565 )
1 759 954
( 399 783 )
1 360 171
4 390 450
5 750 621
( 1 250 000 )
( 250 000 )
( 250 000 )
( 500 000 )
( 2 250 000 )
3 500 621
6.80

منافع قبل از ٹیکس  
ٹیکسیشن  
منافع بعد از ٹیکس  
نان کنفرولنگ منافع سے منسوب منافع جات  
عمومی شیئرز سے منسوب منافع جات  
آگے منتقل کیا جانے والا غیر مختص شدہ منافع  
اختصاص کے لئے دستیاب منافع جات  
اختصاص  
نقد منافع منقسمہ - حتمی ۲۰۱۷ء  
نقد منافع منقسمہ - پہلا عبوری ۲۰۱۸ء  
نقد منافع منقسمہ - دوسرا عبوری ۲۰۱۸ء  
منتقلی برائے عمومی ریزرو  
کل اختصاص  
منافع بعد از اختصاص  
آمدنی فی شیئر (روپے)

سیف الدین این۔ زومکاوالا  
چیئرمین  
کراچی، ۲۷ اکتوبر ۲۰۱۸ء

حسن علی عمید اللہ  
منیجنگ ڈائریکٹر اینڈ چیف ایگزیکٹو

سعد علی پھیم جی  
ڈائریکٹر

محمود لوٹیا  
ڈائریکٹر



## Consolidated Condensed Interim Statement of Financial Position As at 30 September 2018

Rupees '000

	Note	30 September 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
<b>Assets</b>			
Property and equipment	9	4 727 734	1 289 023
Intangible assets		8 338 285	–
Investment property	10	1 857 262	1 847 093
Investments			
Equity securities	11	40 710 870	17 418 873
Debt securities	12	45 465 899	8 527 268
Term deposits	30	34 558 772	430 550
Loans and other receivables	13	1 845 351	118 618
Insurance / reinsurance receivables	14	3 471 529	2 819 069
Reinsurance recoveries against outstanding claims	21	3 243 787	3 538 572
Salvage recoveries accrued		84 458	68 458
Deferred commission expense	22	698 991	689 587
Taxation - payments less provision		335 616	95 797
Prepayments	15	5 360 916	5 202 181
Cash and bank	16	4 814 160	1 164 209
<b>Total assets</b>		<b>155 513 630</b>	<b>43 209 298</b>
<b>Total assets of window takaful operations - Operator's fund</b>		<b>619 347</b>	<b>433 480</b>
<b>Total assets</b>		<b>156 132 977</b>	<b>43 642 778</b>
<b>Equity and Liabilities</b>			
<b>Capital and reserves attributable to Company's equity holders</b>			
Ordinary share capital		2 000 000	2 000 000
Reserves	17	14 642 751	14 450 835
Unappropriated profit		3 500 621	4 390 450
Capital and reserve attributable to Company's equity holders		20 143 372	20 841 285
Non controlling interest		3 062 098	–
<b>Total equity</b>		<b>23 205 470</b>	<b>20 841 285</b>
<b>Surplus on revaluation of property and equipment</b>		<b>851 606</b>	<b>–</b>
<b>Liabilities</b>			
Insurance liabilities		106 068 605	–
<b>Underwriting provisions</b>			
Outstanding claims including IBNR	21	5 310 033	5 572 347
Unearned premium reserves	20	8 622 976	8 496 686
Unearned reinsurance commission	22	426 345	461 616
Retirement benefit obligations		48 587	71 805
Deferred taxation		2 008 879	1 122 776
Premium received in advance		1 041 813	31 487
Insurance / reinsurance payables		5 045 525	4 992 011
Other creditors and accruals	18	3 140 135	1 814 387
		25 644 293	22 563 115
<b>Total liabilities</b>		<b>131 712 898</b>	<b>22 563 115</b>
<b>Total equity and liabilities</b>		<b>155 769 974</b>	<b>43 404 400</b>
<b>Total liabilities of window takaful operations - Operator's fund</b>		<b>363 003</b>	<b>238 378</b>
<b>Total equity and liabilities</b>		<b>156 132 977</b>	<b>43 642,778</b>
<b>Contingencies and commitments</b>	19		

The annexed notes 1 to 34 form an integral part of these consolidated condensed interim financial statements.

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

ALTAF GOKAL  
Chief Financial Officer &  
Corporate Secretary

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018

## Consolidated Condensed Interim Profit and Loss Account For the nine months period ended 30 September 2018 (Unaudited)

Rupees '000

	Note	Three months period ended		Nine months period ended	
		30 September 2018	30 September 2017 (Restated)	30 September 2018	30 September 2017 (Restated)
Net insurance premium	20	8 875 801	2 227 521	19 398 563	5 984 229
Net insurance claims	21	(3 657 504)	(835 718)	(8 469 714)	(2 296 697)
Net commission	22	(1 592 818)	(152 626)	(3 543 560)	(430 633)
Insurance claims and acquisition expenses		(5 250 322)	(988 344)	(12 013 274)	(2 727 330)
Management expenses		(1 091 553)	(581 495)	(2 876 044)	(1 749 600)
Investment income - statutory fund		1 613 372	–	3 250 143	–
Net realised fair value losses on financial assets		(315 072)	–	(811 748)	–
Net fair value loss on financial assets at fair value through profit and loss		(1 785 158)	–	(5 077 730)	–
Net change in insurance liabilities (other than outstanding claims)		(940 721)	–	234 388	–
Underwriting result		1 106 347	657 682	2 104 298	1 507 299
Investment income	23	178 475	180 274	547 309	1 226 208
Rental income		27 292	27 705	77 287	71 643
Other income	24	33 833	28 521	92 143	83 313
Other expenses		(11 633)	(7 364)	(51 023)	(35 070)
		227 967	229 136	665 716	1 346 094
Results of operating activities		1 334 314	886 818	2 770 014	2 853 393
Finance cost		5 133	323	21 286	523
Profit from window takaful operations - Operator's fund	25	31 989	8 450	85 219	27 061
Profit before tax		1 371 436	895 591	2 876 519	2 880 977
Income tax expense	26	(439 084)	(233 702)	(1 116 565)	(921 942)
Profit after tax		932 352	661 889	1 759 954	1 959 035
<b>Profit attributable to:</b>					
Equity holders of the parent		735 656	661 889	1 360 171	1 959 035
Non controlling interest		196 696	–	399 783	–
		932 352	661 889	1 759 954	1 959 035
<b>Earnings (after tax) per share – Rupees</b>	27	3.68	3.31	6.80	9.80

The consolidation has been effective from 31 March 2018, therefore, the consolidation of Subsidiary's results in Consolidated Condensed Interim Profit and Loss Account is for six months period from 01 April 2018 to 30 September 2018.

The annexed notes 1 to 34 form an integral part of these consolidated condensed interim financial statements.

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Chief Executive

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Chairman

Karachi 27 October 2018



## Consolidated Condensed Interim Statement of Comprehensive Income For the nine months period ended 30 September 2018 (Unaudited)

Rupees '000

	Three months period ended		Nine months period ended	
	30 September 2018	30 September 2017 (Restated)	30 September 2018	30 September 2017 (Restated)
Profit after tax	932 352	661 889	1 759 954	1 959 035
Other comprehensive income				
Unrealized loss on available-for-sale investments during the period	( 326 855 )	( 1 116 699 )	( 496 542 )	( 1 766 331 )
Reclassification adjustments relating to available-for-sale investments disposed off during the period	–	216 488	9 379	100 355
Unrealized (loss) / gain on available-for-sale investments during the period of associate company	–	( 775 657 )	–	1 789 612
Total items that may be reclassified subsequently to profit and loss	( 326 855 )	( 1 675 868 )	( 487 163 )	123 636
Deferred tax on available-for-sale investments	94 788	270 063	180 707	563 474
Deferred tax on available-for-sale investment of associate company	–	197 760	–	( 571 821 )
Net unrealized (loss) / gain after deferred tax	( 232 067 )	( 1 208 045 )	( 306 456 )	115 289
Net unrealized (loss) / gain from window takaful operations operator's fund (net of deferred tax)	( 1 251 )	378	( 1 628 )	28
Net other comprehensive income	( 233 318 )	( 1 207 667 )	( 308 084 )	115 317
Total comprehensive income for the period	699 034	( 545 778 )	1 451 870	2 074 352

The annexed notes 1 to 34 form an integral part of these consolidated condensed interim financial statements.

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Chairman

Karachi 27 October 2018

## Consolidated Condensed Interim Cash Flow Statement For the nine months period ended 30 September 2018 (Unaudited)

Rupees '000

	2018	2017 (Restated)
<b>Operating activities</b>		
a ) Underwriting activities		
Insurance premium / contribution received	27 912 215	15 674 342
Reinsurance premium / retakaful contribution paid	( 8 742 271 )	( 7 479 317 )
Claims paid	( 9 749 106 )	( 3 740 903 )
Reinsurance and other recoveries received	1 333 013	1 530 000
Commission paid	( 3 069 598 )	( 1 277 904 )
Commission received	715 402	842 514
Management expenses paid	( 3 409 180 )	( 1 615 553 )
Net cash flow from underwriting activities	4 990 475	3 933 179
b ) Other operating activities		
Income tax paid	( 1 087 306 )	( 954 361 )
Other operating payments	( 89 834 )	( 125 959 )
Other operating receipts	36 133	( 76 214 )
Loans advanced	( 49 009 )	( 4 635 )
Loans repayments received	44 997	3 305
Net cash flow from other operating activities	( 1 145 019 )	( 1 157 864 )
<b>Total cash flow from all operating activities</b>	<b>3 845 456</b>	<b>2 775 315</b>
<b>Investment activities</b>		
Profit / return received	3 256 554	539 888
Dividend received	820 080	781 694
Rental received	51 824	47 083
Payment for investments / investment properties	( 118 451 792 )	( 11 119 055 )
Proceeds from investments / investment properties	111 555 101	9 199 026
Fixed capital expenditures	( 520 903 )	( 262 938 )
Proceeds from sale of property and equipment	31 828	32 530
Acquisition of subsidiary net of cash acquired	5 520 019	-
<b>Total cash flow from investing activities</b>	<b>2 262 711</b>	<b>( 781 772 )</b>
<b>Financing activities</b>		
Dividends paid	( 2 458 216 )	( 1 879 623 )
<b>Net cash flow from all activities</b>	<b>3 649 951</b>	<b>113 920</b>
Cash and cash equivalents at the beginning of period	1 164 209	1 195 586
<b>Cash and cash equivalents at the end of period</b>	<b>4 814 160</b>	<b>1 309 506</b>
<b>Reconciliation to profit and loss account</b>		
Operating cash flow	3 845 456	2 775 315
Depreciation / amortisation expense	( 427 758 )	( 176 098 )
Finance cost	21 286	523
Profit on disposal of property and equipment	23 434	29 177
Rental income	77 287	71 643
Dividend Income	846 233	793 908
Other investment income	2 369 080	432 301
Profit on deposits	57 632	53 979
Other income	6 631	157
Depreciation in market value of investments	( 5 157 506 )	-
Reversal of impairment in the value of available-for-sale equity investments	( 17 224 )	-
Increase in assets other than cash	106 233	2 530 843
Increase in liabilities other than borrowings	( 76 049 )	( 4 579 774 )
<b>Profit after tax from conventional insurance operations</b>	<b>1 674 735</b>	<b>1 931 974</b>
Profit from window takaful operations - Operator's fund	85 219	27 061
<b>Profit after tax at the end of period</b>	<b>1 759 954</b>	<b>1 959 035</b>

The annexed notes 1 to 34 form an integral part of these consolidated condensed interim financial statements.

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Chairman

Karachi 27 October 2018



## Consolidated Condensed Interim Statement of Changes in Equity For the nine months period ended 30 September 2018 (Unaudited)

Rupees '000

	Share capital	General reserve	Reserve for exceptional losses	Revaluation reserve	Unappropriated profit	Equity attributable to equity holder of parent	Non-controlling interest	Total (Restated)
Balance as at 01 January 2017 as previously reported	2 000 000	12 500 000	12 902		2 388 169	16 901 071		16 901 071
Restatement due to change in accounting policies (refer note 6) - net of deferred tax				1 983 218	2 199 620	4 182 838		4 182 838
Balance as at 01 January 2017 (restated)	2 000 000	12 500 000	12 902	1 983 218	4 587 789	21 083 909	-	21 083 909
<b>Total comprehensive income for the period ended 30 September 2017</b>								
Profit after tax				115 317	1 959 035	1 959 035		1 959 035
Other comprehensive income				115 317	1 959 035	115 317		115 317
						2 074 352		2 074 352
<b>Transactions with owners recorded directly in equity</b>								
Final dividend for the year 2016 at the rate of Rs. 7.00 (70%) per share					(1 400 000)	(1 400 000)		(1 400 000)
1st Interim dividend paid for the year 2017 at the rate of Rs. 1.25 (12.5%) per share					(250 000)	(250 000)		(250 000)
2nd Interim dividend paid for the year 2017 at the rate of Rs. 1.25 (12.5%) per share					(250 000)	(250 000)		(250 000)
<b>Other transfer within equity</b>								
Transfer to general reserve		500 000			(500 000)	-		-
Balance as at 30 September 2017 (restated)	<u>2 000 000</u>	<u>13 000 000</u>	<u>12 902</u>	<u>2 098 535</u>	<u>4 146 824</u>	<u>21 258 261</u>	<u>-</u>	<u>21 258 261</u>
Balance as at 01 January 2018 as previously reported	2 000 000	13 000 000	12 902		2 034 319	17 047 221		17 047 221
Restatement due to change in accounting policies (refer note 6) - net of deferred tax				1 437 933	2 356 131	3 794 064		3 794 064
Balance as at 01 January 2018 (restated)	2 000 000	13 000 000	12 902	1 437 933	4 390 450	20 841 285	-	20 841 285
<b>Total comprehensive income for the period ended 30 September 2018</b>								
Profit after tax				(308 084)	1 360 171	1 360 171	399 783	1 759 954
Other comprehensive income				(308 084)	1 360 171	(308 084)	-	(308 084)
						1 052 087	399 783	1 451 870
Recognition of non controlling interest on business combination							3 440 673	3 440 673
<b>Transactions with owners recorded directly in equity</b>								
Final dividend for the year 2017 at the rate of Rs. 6.25 (62.5%) per share					(1 250 000)	(1 250 000)		(1 250 000)
Final dividend for the year 2017 at the rate of Rs. 11.25 (112.5%) per share							(636 840)	(636 840)
1st Interim dividend paid for the year 2018 at the rate of Rs. 1.25 (12.5%) per share					(250 000)	(250 000)		(250 000)
1st Interim dividend paid for the year 2018 at the rate of Rs. 1.25 (12.5%) per share							(70 759)	(70 759)
2nd Interim dividend paid for the year 2018 at the rate of Rs. 1.25 (12.5%) per share					(250 000)	(250 000)		(250 000)
2nd Interim dividend paid for the year 2018 at the rate of Rs. 1.25 (12.5%) per share							(70 759)	(70 759)
<b>Other transfer within equity</b>								
Transfer to general reserve		500 000			(500 000)			-
Balance as at 30 September 2018	<u>2 000 000</u>	<u>13 500 000</u>	<u>12 902</u>	<u>1 129 849</u>	<u>3 500 621</u>	<u>20 143 372</u>	<u>3 062 098</u>	<u>23 205 470</u>

The annexed notes 1 to 34 form an integral part of these consolidated condensed interim financial statements.

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

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Chief Financial Officer &  
Corporate Secretary

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018

## Notes to the Consolidated Condensed Interim Financial Statements For the nine months period ended 30 September 2018 (Unaudited)

### 1. Legal status and nature of business

1.1 EFU General Insurance Limited has assessed its control position in relation to its investments in EFU Life Assurance Limited after its agreement with some shareholders of EFU Life Assurance Limited effective 31 March 2018, accordingly it has been concluded that the Company has the ability to control the composition of the Board of Directors of EFU Life Assurance Limited, therefore EFU Life Assurance Limited has become the subsidiary of the Company from 31 March 2018. The consolidated condensed interim financial statements have been prepared and are presented as per the requirements of Section 228 of the Companies Act 2017.

### 1.2 Holding Company

EFU General Insurance Limited ("the Holding Company") was incorporated as a public limited company on 02 September 1932. The Holding Company is listed on the Pakistan Stock Exchange and is engaged in non-life insurance business comprising of fire and property, marine, motor, miscellaneous etc.

The registered office of the Holding Company is situated in Islamabad while the principal place of business is located at EFU House, M.A. Jinnah Road, Karachi. The Holding Company commenced Window Takaful Operations from 16 April 2015 as per Securities and Exchange Commission of Pakistan (SECP) Takaful Rules, 2012. The Company operates through 52 (2017: 52) branches in Pakistan including a branch in Export Processing Zone (EPZ).

### 1.3 Subsidiary Company

EFU Life Assurance Limited ("the Subsidiary Company") with 43.39 % effective Holding was incorporated in Pakistan on 09 August 1992 as a public limited company and started its operation from 18 November 1992. The Subsidiary Company is listed on Pakistan Stock Exchange and is engaged in life assurance business comprising of ordinary life business, pension fund business and accident and health business. The registered office of the Subsidiary Company is located at Al-Malik Centre, 70W, F-7/G-7 Jinnah Avenue, Islamabad while principal place of business is located at Plot No.112, 8th East Street, Phase 1, DHA, Karachi.

### 2. Business combination

#### 2.1 Acquisition of EFU Life Assurance Limited

2.1.1 The Holding Company decided to consolidate financial statements of EFU Life Assurance Limited with and into the Holding Company which was approved by the Board of Directors in their meeting held on March 28, 2018.

For the purposes of these consolidated financial statements, the Holding Company has incorporated the balances relating to EFU Life Assurance Limited at their carrying values as appearing in the approved financial statements of EFU Life Assurance Limited for the period ended 31 March 2018. These balances are detailed below:

Rupees '000

31 March  
2018

#### Assets

Property and equipment	2 164 714
Intangible assets	8 782
Investments	
Equity securities	30 738 647
Debt securities	61 651 064
Term deposits	12 594 100
Loans and other receivables	1 727 034
Insurance / reinsurance receivables	69 322
Taxation - payment less provisions	393 621
Prepayments	82 636
Cash & bank	5 520 019
<b>Total assets</b>	<b>114 949 939</b>



Rupees '000

31 March  
2018**Liabilities**

Insurance liability
Deferred taxation
Premium received in advance
Insurance / reinsurance payables
Other creditors and accruals

106 211 210
187 416
787 063
180 453
806 215

**Total Liabilities**

108 172 357

**Book value of net assets as on 31 March 2018**

6 777 582

Percentage of net assets acquired

43.39%

**Book value of net assets acquired**

2 940 931

**Goodwill Calculation**

Market Value
Net assets

11 260 234
2 940 931

**Goodwill**

8 319 303

- 2.1.2 International Financial Reporting Standard (IFRS) 3 "Business Combinations", requires that all identified assets and liabilities acquired in a business combination should be carried at fair values in the acquirer's balance sheet and any intangible assets acquired in the business combination are required to be separately recognised and carried at fair values. IFRS 3 allows the acquirer a maximum period of one year from the date of acquisition to finalise determination of the fair values of the assets and liabilities and to determine the value of any intangible assets separately identified. The fair valuation exercise of the recorded assets and liabilities will be completed within the period specified under IFRS 3. The carrying values of the above balances may change as a result of the fair value exercise as required under IFRS 3.

**3. Basis of Consolidation**

The consolidated condensed interim financial statements include the condensed interim financial statements of the Holding Company and its Subsidiary Company. Subsidiary Company is fully consolidated from the date on which the power to control the Company is established.

The consolidated condensed interim financial statements of the Subsidiary Company are prepared for the same reporting period as the Holding Company, using accounting policies that are consistent with those of the Holding Company.

The assets and liabilities of the Subsidiary Company have been consolidated with those of the Holding Company on a line by line basis and the carrying value of the Company's investment in the Subsidiary Company is eliminated against the Subsidiary Company's share capital and pre-acquisition reserves in these consolidated condensed interim financial statements. Non-controlling interest represents that part of the net results of operations and of the net assets of the Subsidiary Company that is not owned by the Group. All material intra-group balances and transactions have been eliminated. Acquisitions of non-controlling interest (NCI) are measured at the proportionate share of the NCI in the fair value of the net assets acquired by the Holding Company.

**3.1 Business Combination**

Business combinations are accounted for by applying the acquisition method. The cost of acquisition is measured as the fair value of assets given, equity instruments issued and the liabilities incurred or assumed at the date of acquisition. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement, if any; acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the consideration transferred over the fair value of the Holding Company's share of identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets acquired, the difference is recognised directly in the profit and loss account.

**3.2 Goodwill**

Goodwill acquired in a business combination is measured, subsequent to initial recognition, at its cost less accumulated impairment losses, if any, for the purpose of impairment testing. Goodwill impairment reviews are undertaken annually or



more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less cost of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

#### 4. Basis of preparation and statement of compliance

- 4.1 These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012. Where the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017 Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 have been followed. Total assets, total liabilities and profit of the Window Takaful Operations of the Company referred to as the Operator's Fund has been presented in these consolidated condensed interim financial statement in accordance with the requirements of Circular 25 of 2015 dated July 9, 2015. A separate set of condensed interim financial statements of the General Window Takaful Operations has been reported which is annexed to these consolidated condensed interim financial statements as per the requirements of the SECP Takaful Rules, 2012.

These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2017.

#### 5. Basis of measurement

- 5.1 The consolidated condensed interim financial statements have been prepared under the historical cost basis except for the available-for-sale investments, property and equipments and investment property that have been measured at fair value.

#### 5.2 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees which is also the Holding Company's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupees in thousand, unless otherwise stated.

#### 5.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following revised standards, amendments and interpretations with respect to the approved accounting standards would be effective from the dates mentioned below against the respective standard or interpretation:

##### - IFRS 9 'Financial Instruments'

IFRS 9 'Financial Instruments' and amendment - Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 July 2018 and 1 January 2019 respectively). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments. A new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The Holding Company is currently in the process of analyzing the potential impact of changes required in classification and measurement of financial instruments and the impact of expected loss model on adoption of the standard.

##### - IFRS 15 'Revenue from contracts with customers'

IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 July 2018). IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes'. The Holding Company is currently in the process of analyzing the potential impact of changes required in revenue recognition policies on adoption of the standard.

##### - IFRS 16 'Leases'

IFRS 16 'Leases' (effective for annual period beginning on or after 1 January 2019). IFRS 16 replaces existing leasing guidance including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC 15 'Operating Leases - Incentives' and SIC 27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition



exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessor continue to classify leases as finance or operating leases. The Holding Company is currently in the process of analyzing the potential impact of its lease arrangements that will result in recognition of right to use assets and liabilities on adoption of the standard.

## 6. Summary of significant accounting policies

The accounting policies and method of computation adopted in the preparation of the consolidated condensed interim financial statement are consistent with those followed in the preparation of the annual financial statements of the Holding Company for the year ended 31 December 2017 except for available-for-sale investment, property and equipment, investment property and format for preparation of financial statements as disclosed in note 6.1.1, 6.1.2, 6.1.3, 6.1.4 and 6.1.5 respectively.

Certain amendments and interpretations to approved accounting standards became effective during the period were not relevant to the Holding Company's operation and do not have any impact on the accounting policies of the Holding Company.

### 6.1 Change in accounting policies

- 6.1.1 During the period, the Holding Company has changed its accounting policy for the valuation of the available-for-sale investments to comply with the requirements of the 'Insurance Rules, 2017' issued by Securities and Exchange Commission of Pakistan vide its S.R.O. 89(1) / 2017 dated 09 February 2017. In line with the requirements provided in the Rules, the quoted available-for-sale investments are to be valued at market value and any unrealised gains or losses arising on revaluation of available-for-sale investments are taken to Other Comprehensive Income and transferred to revaluation reserves, whereas unquoted available-for-sale investments are valued at cost less impairment in value, if any. On derecognition or impairment of available-for-sale investments, the cumulative gains or losses previously reported in revaluation reserves are reclassified to Profit and Loss Account for the period. This change in accounting policy has been applied retrospectively in accordance with the requirement of IAS - 8 'Accounting Policy, Change in Accounting Estimates and Error' and comparatives have been restated accordingly.

Previously, quoted available-for-sale investments were stated at the lower of cost or market value (market value being taken as lower if the reduction is other than temporary) in accordance with the requirements of the SEC (Insurance) Rules, 2002.

Had the accounting policy not been changed, available-for-sale investments, reserves and deferred taxation would have been higher by Rs.298 million, Rs.361 million and Rs.63 million (December 2017: lower by Rs.2,054 million, Rs.1,438 million and Rs.616 million) respectively.

- 6.1.2 During the period, the Holding Company has changed its accounting policy for valuation of investment properties from cost model to fair value model as per IAS 40 investment property. This change in accounting policy has been applied retrospectively in accordance with the requirement of IAS - 8 'Accounting Policy, Change in Accounting Estimates and Error'. The comparatives have been restated accordingly.

Had the accounting policy not been changed, investment property and deferred taxation would have been lower by Rs.1,764 million and Rs. 512 million (December 2017: Rs. 1,697 million, and Rs.502 million) respectively.

- 6.1.3 During the period the Holding Company has changed its accounting policy for its land and building and related assets from cost model to revaluation model. Revaluation was carried out by the independent valuer. Surplus on revaluation is credited to surplus on revaluation account. This change in policy has been applied prospectively.

Had the accounting policy not been changed, property and equipment and deferred taxation would have been lower by Rs.1,199 million and Rs.348 million respectively.

- 6.1.4 During the period, the Holding Company has changed format for preparation of its consolidated condensed interim financial statements to comply with the requirements of the 'Insurance Rules, 2017' issued by SECP vide its S.R.O. 89(1) / 2017 dated 09 February 2017. In line with the requirements provided in the Rules, accordingly these are the first set of consolidated condensed interim financial statements of the Holding Company for the nine months period ended 30 September 2018.

- 6.1.5 During the period the Company has changed its accounting policy for 'Investments in subsidiaries and associates' were being accounted for by using the equity method of accounting are now accounted for at fair value and classified as available-for-sale investments in accordance with the International Accounting Standards 39 'Financial instruments: Recognition and measurement'. The management of the Company believes that the new policy provides reliable and more relevant information to the users of these consolidated condensed interim financial statements. This change in accounting policy has been applied retrospectively in accordance with the requirement of IAS - 8 'Accounting Policy, Change in Accounting Estimates and Error'. The comparatives have been restated accordingly.

6.1.6 As per 6.1.1, 6.1.2, 6.1.4 and 6.1.5, retrospective adjustments have been made in these consolidated condensed interim financial statements and comparatives have been revised as follows:

Rupees '000

	31 December 2017			31 December 2016		
	Balance Previously Reported	Adjustment	Balance Restated	Balance Previously Reported	Adjustment	Balance Restated
Property and equipment	1 222 290	66 733	1 289 023	1 084 911	63 290	1 148 201
Investment property	149 120	1 697 973	1 847 093	174 081	1 374 465	1 548 546
Investments in subsidiary / associate Investments	12 131 105	(1 131 656)	10 999 449	11 949 485	(2 664 443)	9 285 042
Equity securities	2 505 215	3 914 209	6 419 424	3 195 534	6 297 885	9 493 419
Debt securities	8 533 957	(6 689)	8 527 268	5 191 510	72 882	5 264 392
Total assets from window takaful operations - Operator's fund	433 587	(107)	433 480	267 353	(143)	267 210
Deferred taxation	(376 377)	(746 399)	(1 122 776)	(380 062)	(957 123)	(1 337 185)
Reserves	(13 012 902)	(1 437 933)	(14 450 835)	(12 512 902)	(1 983 218)	(14 496 120)
Unappropriated profit	(2 034 319)	(2 356 131)	(4 390 450)	(2 388 169)	(2 199 620)	(4 587 789)
						Nine months period ended 30 Sep 2017 (Unaudited)
<b>Impact on profit and loss account</b>						
Profit after tax would have been higher by						96 136
Earnings per share would have been higher by						0.49

6.1.7 During the period the Companies Act, 2017 has been implemented, however there is no impact on the consolidated condensed interim financial statement.

## 7. Accounting estimates and judgements

The preparation of these consolidated condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these consolidated condensed interim financial statements, the significant judgments made by management in applying the Holding Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2017 except for those mentioned in note 6.1.

## 8. Management of insurance and financial risk

Insurance and financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2017.

## 9. Property and Equipment

The details of additions and disposals during the nine months period ended 30 September 2018 are as follows:

Rupees '000

	Additions (at cost)		Disposals (at net book value)	
	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)
Buildings	75 780	55 207	–	–
Furniture and fixtures	66 992	15 036	–	–
Office equipments	20 630	5 467	860	–
Tracker equipments	69 001	74 921	–	–
Computers	27 451	7 006	640	–
Vehicles	239 967	108 052	25 557	3 353
Intangibles	17 512	–	–	–
Capital work-in-progress	3 570	–	–	–
	<u>520 903</u>	<u>265 689</u>	<u>27 057</u>	<u>3 353</u>



Rupees '000

## 10. Investment property

	30 September 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
Opening net book value	1 847 093	1 548 008
Additions and capital improvements	10 169	317
Unrealized fair value gain	-	298 768
Closing book value	1 857 262	1 847 093

## 11. Investment in Equity Securities

	30 September 2018 (Unaudited)			31 December 2017 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
<b>Associate</b>						
Listed shares	-	-	-	12 852 671	-	12 852 671
Surplus on revaluation	-	-	-	(1 853 223)	-	(1 853 223)
	-	-	-	10 999 448	-	10 999 448
<b>Related Party</b>						
Listed shares	751 134	275 358	475 776	444 664	28 753	415 911
Mutual funds	523	-	523	-	-	-
	751 657	275 358	475 299	444 664	28 753	415 911
<b>Others</b>						
Listed shares	2 110 844	118 308	1 992 536	2 133 539	54 735	2 078 804
Unlisted shares	31 508	-	31 508	10 500	-	10 500
Mutual funds	78 409	9 490	68 919	-	-	-
	2 220 761	127 798	2 092 963	2 144 039	54 735	2 089 304
Surplus on revaluation	3 620 671	-	3 620 671	3 914 210	-	3 914 210
	6 593 089	403 156	6 189 933	17 502 361	83 488	17 418 873
<b>At fair value through profit and loss - designated upon initial recognition</b>						
<b>Related Party</b>						
Listed shares	621 595	-	621 595	-	-	-
Mutual funds	25 444	-	25 444	-	-	-
<b>Others</b>						
Listed shares	35 466 209	-	35 466 209	-	-	-
Mutual funds	59 301	-	59 301	-	-	-
Surplus on revaluation	10 348	-	10 348	-	-	-
	36 182 897	-	34 475 413	-	-	-
<b>At fair value through profit and loss - held for trading</b>						
<b>Others</b>						
Listed shares	30 772	-	30 772	-	-	-
Surplus on revaluation	-	-	-	-	-	-
	30 772	-	30 772	-	-	-
	42 806 758	403 156	40 710 870	17 502 361	83 488	17 418 873

## 12. Investment in Debt Securities

Rupees '000

	30 September 2018 (Unaudited)		
	Cost	Impairment / provision	Carrying value
<b>Held to maturity</b>			
Government Securities	3 173 920	–	3 173 920
<b>Available-for-sale</b>			
Government Securities	38 680 067	–	38 680 067
<b>Others</b>			
Term Finance Certificate	1 280 805	–	1 280 805
Sukuk	2 152 970	–	2 152 970
Certificate of Investment	210 000	–	210 000
Surplus revaluation	( 31 863 )	–	( 31 863 )
	<u>45 465 899</u>	<u>–</u>	<u>45 465 899</u>

## 31 December 2017 (Audited)

	Cost	Impairment / provision	Carrying value
Government Securities	8 533 957	–	8 533 957
Term Finance Certificate	44 118	44 118	–
Surplus revaluation	( 6 689 )	–	( 6 689 )
	<u>8 571 386</u>	<u>44 118</u>	<u>8 527 268</u>

## 13. Loans and other receivables – considered good

	30 September 2018 (Unaudited)	31 December 2017 (Audited)
Loans to employees	46 160	5 393
Accrued investment income	1 198 128	66 616
Security deposit	43 619	7 780
Advances to suppliers	57 183	33 115
Advances to employees	5 271	3 665
Advances to agents	49 403	–
Others receivables	445 587	2 049
	<u>1 845 351</u>	<u>118 618</u>
<b>14. Insurance / reinsurance receivables – unsecured and considered good</b>		
Due from insurance contract holders	3 439 401	2 829 996
Less provision for impairment of receivables from insurance contract holders	( 48 109 )	( 27 814 )
	<u>3 391 292</u>	<u>2 802 182</u>
Due from other insurer / reinsurers	80 237	16 887
	<u>3 471 529</u>	<u>2 819 069</u>



15. Prepayments		Rupees '000	
	Note	30 September 2018 (Unaudited)	31 December 2017 (Audited)
Prepaid reinsurance premium ceded	20	5 149 467	5 112 083
Prepaid rent		53 419	12 703
Others		158 030	77 395
		<u>5 360 916</u>	<u>5 202 181</u>
<b>16. Cash and bank</b>			
Cash and cash equivalents			
Cash in hand		2 537	2
Policy and revenue stamps, bond papers		24 501	9 802
		27 038	9 804
Cash at bank			
Current accounts		837 886	233 422
Saving accounts		3 949 236	920 983
		<u>4 787 122</u>	<u>1 154 405</u>
		<u>4 814 160</u>	<u>1 164 209</u>
<b>17. Reserves</b>			
General reserve		13 500 000	13 000 000
Reserve for exceptional losses	17.1	12 902	12 902
Revaluation reserve - Available-for-sale investments		1 129 849	1 437 933
		<u>14 642 751</u>	<u>14 450 835</u>

17.1 The reserve for exceptional losses was created prior to 1979 and was charged to income in accordance with the provisions of the repealed Income Tax Act, 1922 and has been so retained to date.

18. Others creditors and accruals		Rupees '000	
		30 September 2018 (Unaudited)	31 December 2017 (Audited)
Federal insurance fee payable		7 896	12 510
Federal excise duty and sales tax payable		95 946	170 800
Accrued expenses		634 549	227 879
Agent commission payable		1 081 463	499 929
Unearned rentals		45 523	70 986
Security deposit bond		724 828	543 677
Unclaimed dividends		294 132	196 503
Others		255 798	92 103
		<u>3 140 135</u>	<u>1 814 387</u>

## 19. Contingencies and commitments

The income tax assessment of the Holding Company and its Subsidiary Company has been finalised up to tax year 2017.

### 19.1 Holding Company

- 19.1.1 The Income Tax Department have made assessment order for assessment year 1999-2000 and 2000-2001 by adding back provision for bonus to staff, provision for gratuity and excess management expense. The Holding Company had filed appeals before Commissioner Inland Revenue (Appeals). The appeals have been decided in the favour of the Income Tax Department. The Holding Company had filed appeals before Income Tax Appellate Tribunal (ITAT). If the appeals are decided against the Holding Company a tax liability of Rs. 13 million would arise.

The Income Tax Department (Audit) has made assessment order for assessment year 2002-2003 by adding certain items. The Holding Company had filed appeal before Commissioner Income Tax (Appeals). The appeal was decided in the favour of the Holding Company. The Department had filed appeal before Income Tax Appellate Tribunal (ITAT) and the same was been decided in the favour of the Holding Company. The Department has filed appeal before Honourable High Court of Sindh against the order of Income Tax Appellate Tribunal (ITAT) in respect of estimated liability of claims, excess perquisites and retrocession commission. If the appeal is decided against the Holding Company a tax liability of Rs. 76 million would arise.

The Commissioner Inland Revenue (Audit) has amended the tax assessment of the Holding Company for tax year 2005 to 2007 by disallowing prorated expense. The Holding Company has filed appeals before Commissioner Income Tax (Appeals). The appeals were decided in the favour of the Holding Company. The Department then filed appeals before Income Tax Appellate Tribunal (ITAT). The Income Tax Appellate Tribunal (ITAT) had passed order in favour of the Holding Company. The Department then filed reference before Honourable High Court of Sindh. The Honourable High Court of Sindh maintained the decision of Income Tax Appellate Tribunal (ITAT). The Department has filed appeals for the tax year 2005 to 2007 before Honourable Supreme Court of Pakistan against the decision of the Honourable High Court of Sindh in respect of proration of expenses and if the appeals are decided against the Holding Company, a tax liability of Rs. 37 million would arise.

The Department has filed appeal for tax year 2008 before Honourable High Court of Sindh against order of Income Tax Appellate Tribunal (ITAT) in respect of tax on reinsurance premium. If the appeal is decided against the Holding Company a tax liability of Rs. 5 million would arise.

The Department has filed appeal for tax years 2014 and 2016 before Income Tax Appellate Tribunal (ITAT) against order of Commissioner (Appeal) in respect of Dividend Income taxed at reduced rate. If the appeal is decided against the Holding Company a tax liability of Rs. 243 million would arise.

No provision has been made in these consolidated condensed interim financial statements for the above contingencies, as the management, based on tax advisor's opinion, is confident that the decision in this respect will be received in favour of the Holding Company.

- 19.1.2 In 2014, 2015, 2016 and 2017, the Searle Company Limited issued bonus shares (453,612, 312,993, 664,632 and 472,284 shares respectively) after withholding 5 percent of bonus shares (22,680, 15,650, 34,981 and 24,857 shares respectively). In this regard, a constitutional petition had been filed by the Holding Company in Honourable High Court of Sindh challenging the applicability of withholding tax provision on bonus shares received by the Holding Company. The Honourable High Court of Sindh decided the case against the Holding Company. Subsequently, the Holding Company filed an appeal with a larger bench of the Honourable High Court of Sindh and in response; the Sindh High Court has suspended the earlier judgement until the next date of hearing, which has not yet been decided. Consequently, the Holding Company has not paid / provided an amount of Rs. 37.09 million being withholding tax on bonus shares.



## 19.2 Subsidiary Company

The Income tax assessment of the Subsidiary Company for tax year 2017 has been finalized. The tax department has reopened the assessment order issued under Sec 122(5A) for the tax year 2009-2016 and has raised a demand of Rs. 56.31 million against dividend income so received by the Subsidiary Company to be taxed at corporate rate instead of reduced rates available in the First schedule of Income Tax Ordinance 2001. The Subsidiary Company filed an appeal for tax year 2009-2013 before CIT appeals where the case was decided against the Subsidiary Company. The Subsidiary Company has filed an appeal before Appellate Tribunal for the same tax years where the case was decided in favour of the Subsidiary Company. For tax year 2014 and tax year 2016, the Subsidiary Company filed an appeal before CIT appeals against the order, where the case was decided in favour of the Subsidiary Company. For the tax year 2015, the Subsidiary Company has filed an appeal before CIT appeal. No provision has been made in respect of aforementioned additional demand.

In 2013, Income Tax Department imposed an additional tax demand under Section 151(1) (d) on account of non-deduction of withholding tax on surrender and maturity amounting to Rs.13.833 million and Rs.15.014 million for Tax Years 2012 and 2013 respectively. The Subsidiary Company filed an appeal before Commissioner Inland Revenue (Appeals) and the same was dismissed. The Subsidiary Company filed second appeal before the Appellate Tribunal against the order of CIT. The learned Appellate Tribunal Inland revenue has now decided the case in Subsidiary Company's favour. Subsequent to the period, the department has filed review application against the order in Honourable Court of Sindh. The decision is still pending.

19.2.1 In 2015 and 2016, the searle Subsidiary Company Limited issued bonus shares (76,031 shares and 342,480 shares respectively) after withholding 5 percent of bonus shares (3,801.55 shares and 18,707.44 shares respectively) and the IBL Healthcare Ltd. issued bonus shares (46,625 shares and 80,311 shares respectively) after withholding 5 percent of bonus shares (2,331.26 shares and 4,031 shares respectively). In this regard, a constitutional petition had been filed by the Subsidiary Company in Sindh High Court challenging the applicability of withholding tax provision on bonus shares received by the Subsidiary Company. The honorable high court decided the case against the Subsidiary Company. Subsequently, the Subsidiary Company filed an appeal with a larger bench of the Sindh High Court and in response the Sindh High Court has suspended the earlier judgement until the next date of hearing, which has not yet been decided. The Subsidiary Company is of the view that the case will be decided in its favour and no provision has been made for the aforementioned tax.

19.2.2 Bank guarantees amounting to Rs.17.27 million has been given in respect of Group Life coverage. These bank guarantees will expire by 16th January 2020.

19.3 No provision has been made in these consolidated condensed interim financial statements for the above contingencies, as the management, based on tax advisor's opinion, is confident that the decision in this respect will be received in favour of the Company.



## 20. Net insurance premium

Rupees '000

	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017	2018	2017
Written gross premium	12 044 274	6 091 957	28 169 032	15 276 621
Unearned premium reserve - opening	7 872 446	8 220 943	8 496 686	7 388 680
Unearned premium reserve - closing	( 8 622 976 )	( 9 672 303 )	( 8 622 976 )	( 9 672 303 )
Premium earned	11 293 744	4 640 597	28 042 742	12 992 998
Less:				
Reinsurance premium ceded	2 905 448	3 189 936	8 681 563	8 711 062
Prepaid reinsurance premium - opening	4 661 962	5 077 107	5 112 083	4 151 674
Prepaid reinsurance premium - closing	( 5 149 467 )	( 5 853 967 )	( 5 149 467 )	( 5 853 967 )
Reinsurance expense	2 417 943	2 413 076	8 644 179	7 008 769
	<u>8 875 801</u>	<u>2 227 521</u>	<u>19 398 563</u>	<u>5 984 229</u>
<b>21. Net insurance claims expense</b>				
Claims paid	3 925 480	1 154 691	9 824 887	3 706 172
Outstanding claims including IBNR - closing	5 310 033	6 299 152	5 310 033	6 299 152
Outstanding claims including IBNR - opening	( 5 097 810 )	( 6 056 515 )	( 5 572 347 )	( 5 415 030 )
Claims expense	4 137 703	1 397 328	9 562 573	4 590 294
Less:				
Reinsurance and other recoveries received	339 384	404 987	1 387 644	1 531 639
Reinsurance and other recoveries in respect of outstanding claims - opening	( 3 102 972 )	( 4 029 952 )	( 3 538 572 )	( 3 424 617 )
Reinsurance and other recoveries in respect of outstanding claims - closing	3 243 787	4 186 575	3 243 787	4 186 575
Reinsurance and other recoveries revenue	480 199	561 610	1 092 859	2 293 597
	<u>3 657 504</u>	<u>835 718</u>	<u>8 469 714</u>	<u>2 296 697</u>



## 22. Net commission expense

Rupees '000

	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017	2018	2017
Commission paid or payable	2 037 915	604 609	4 303 637	1 438 290
Deferred commission expense - opening	537 207	684 922	689 587	564 645
Deferred commission expense - closing	( 698 991 )	( 883 224 )	( 698 991 )	( 883 224 )
Net commission	1 876 131	406 307	4 294 233	1 119 711
Less:				
Commission received or recoverable	323 175	355 745	715 402	842 513
Unearned reinsurance commission-opening	386 483	395 348	461 616	343 977
Unearned reinsurance commission-closing	( 426 345 )	( 497 412 )	( 426 345 )	( 497 412 )
Commission from reinsurers	283 313	253 681	750 673	689 078
	<u>1 592 818</u>	<u>152 626</u>	<u>3 543 560</u>	<u>430 633</u>
<b>23. Investment income</b>				
Income from equity securities - available-for-sale				
Dividend income	45 742	75 679	183 474	793 908
Income from debt securities - available-for-sale				
Return on debt securities	143 496	109 246	394 283	338 020
Income from term deposits Return on term deposits	2 765	2 882	8 752	9 501
	<u>192 003</u>	<u>187 807</u>	<u>586 509</u>	<u>1 141 429</u>
Net realised gains / (losses) on investments				
Available-for-sale financial assets				
Realised gains on:				
Equity securities	-	649	7 828	98 211
Debt securities	-	-	-	26 951
Realised losses on:				
Equity securities	-	( 16 427 )	( 17 972 )	( 18 099 )
Debt securities	-	-	-	( 480 )
	-	( 15 778 )	( 10 144 )	106 583
	<u>192 003</u>	<u>172 029</u>	<u>576 365</u>	<u>1 248 012</u>
Impairment in value of available-for-sale equity securities	( 13 325 )	8 465	( 28 249 )	( 20 769 )
Investment related expenses	( 203 )	( 220 )	( 807 )	( 1 035 )
Total investment income	<u>178 475</u>	<u>180 274</u>	<u>547 309</u>	<u>1 226 208</u>

## 24. Other income

Rupees '000

	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017	2018	2017
Gain on sale of fixed assets - net	4 934	7 111	23 434	29 177
Interest on loans to employees	3 114	86	6 631	156
Profit on bank deposits	23 632	21 324	57 632	53 980
Others	2 153	–	4 446	–
	<u>33 833</u>	<u>28 521</u>	<u>92 143</u>	<u>83 313</u>
<b>25. Window takaful operations Operator's fund</b>				
Wakala fee	129 821	78 971	354 747	207 491
Management expenses	( 59 667 )	( 46 746 )	( 168 901 )	( 122 017 )
Commission expenses	( 45 874 )	( 25 244 )	( 119 996 )	( 67 241 )
Investment income/(loss)	6 307	( 1 010 )	15 438	5 029
Other income	1 536	2 592	4 512	4 332
Other expenses	( 134 )	( 113 )	( 581 )	( 533 )
Profit for the period	<u>31 989</u>	<u>8 450</u>	<u>85 219</u>	<u>27 061</u>
<b>26. Taxation</b>				
For the period				
– Current	270 848	264 863	1 013 307	868 705
– Prior year	46 330	( 33 820 )	227 802	64 946
	317 178	231 043	1 241 109	933 651
Deferred tax	121 906	2 659	( 124 544 )	( 11 709 )
	<u>439 084</u>	<u>233 702</u>	<u>1 116 565</u>	<u>921 942</u>
<b>27. Earnings per share</b>				
Profit after tax (Rupees '000)	<u>735 656</u>	<u>661 889</u>	<u>1 360 171</u>	<u>1 959 035</u>
Weighted average number of ordinary shares (Numbers '000)	<u>200 000</u>	<u>200 000</u>	<u>200 000</u>	<u>200 000</u>
Earnings per share (Rupees)	<u>3.68</u>	<u>3.31</u>	<u>6.80</u>	<u>9.80</u>



## 28. Related party transactions

Related parties comprise of directors, major shareholders, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. The transactions and balances with related parties other than those which have been specifically disclosed elsewhere in these consolidated condensed interim financial statements are as follows:

Rupees '000

	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017	2018	2017
<b>Transactions</b>				
<b>Associated companies</b>				
Premium written	60 872	53 811	279 167	195 484
Premiums paid	–	3 860	11 506	34 310
Claims paid	27 667	25 711	167 099	66 682
Claims received	( 94 )	–	–	–
Commission paid	56 547	–	106 007	–
Travelling expenses	73	–	1 425	–
Dividends received	–	53 865	–	624 835
Dividends paid	120 465	87 588	1 084 528	617 413
Interest on bank deposit	96 078	–	107 610	–
Investment sold	( 245 971 )	–	209 386	–
Bank deposit withdrawn	–	–	( 75 000 )	–
<b>Key management personnel</b>				
Premium written	158	( 149 )	2 185	405
Claims paid	–	–	–	202
Dividends paid	8 336	1 048	15 163	7 964
Loan recovered	890	–	1 790	–
Compensation	84 514	51 454	203 961	136 578
<b>Others</b>				
Premiums written	4 631	4 460	22 568	19 290
Claims paid	211	203	2 680	1 905
Investments made	–	–	–	200 000
Investments sold	–	–	–	225 000
Dividends paid	–	86 507	550 498	563 064
Brokerage paid	–	13	236	112
<b>Employees' funds</b>				
Contributions to provident fund	14 928	6 244	34 919	18 051
Contributions to gratuity fund	4 885	6 474	14 656	14 172
Contributions to pension fund	7 357	54	15 494	657
Dividends paid	1 289	1 288	9 020	9 793
			<b>30 September 2018 ( Unaudited )</b>	<b>31 December 2017 ( Audited )</b>
<b>Balances</b>				
<b>Others</b>				
Balances receivable			44 817	15 131
Balances payable			2 845	( 73 891 )
Deposits maturing within 12 months			13 229 000	154 000
Investment in related party			196 104	–
Bank balances			749 179	106 039
<b>Employees' funds payable</b>				
EFU gratuity fund			( 14 696 )	( 40 509 )
EFU pension fund			( 33 931 )	( 31 295 )

29. Segment Information

Rupees '000

	General Insurance						Life Assurance		Aggregate Life Assurance	Nine months period ended 30 September 2018 (Unaudited)
	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Aggregate General Insurance	Shareholders' Fund	Statutory Funds		
Premium Receivable (inclusive of FED, Federal insurance fee and Administrative surcharge)	9 619 313	2 378 524	3 198 915	1 429 984	-	16 626 736	-	13 458 945	13 458 945	30 085 681
Less: Federal excise duty	1 155 500	260 215	384 362	161 004	-	1 961 081	-	-	-	1 961 081
Stamp duty	461	92 222	1 157	1 134	-	94 974	-	-	-	94 974
Federal insurance fee	83 751	20 044	27 857	12 555	-	144 207	-	-	-	144 207
Gross Written Premium (Inclusive of Administrative surcharge)	8 379 601	2 006 043	2 785 539	1 255 291	-	14 426 474	-	13 458 945	13 458 945	27 885 419
Gross direct premium	8 343 765	1 965 946	2 505 598	1 236 329	-	14 051 838	-	13 458 945	13 458 945	27 510 783
Facultative inward premium	4 571	1 470	-	-	-	6 041	-	-	-	6 041
Administrative surcharge	31 265	38 627	279 941	18 762	-	368 595	-	-	-	368 595
Insurance premium earned	8 803 973	1 823 468	2 549 963	1 122 780	-	14 300 184	-	13 458 945	13 458 945	27 759 129
Insurance premium ceded to reinsurers	7 031 654	654 059	8 062	666 791	-	8 360 566	-	-	-	8 360 566
Net insurance premium	1 772 319	1 169 409	2 541 901	455 989	-	5 939 618	-	13 458 945	13 458 945	19 398 563
Commission income	563 289	18 876	-	168 508	-	750 673	-	-	-	750 673
Net underwriting income	2 335 608	1 188 285	2 541 901	624 497	-	6 690 291	-	13 458 945	13 458 945	20 149 236
Insurance claims	1 015 140	643 810	1 274 801	337 505	-	3 271 256	-	6 100 004	6 100 004	9 371 260
Insurance claims recovered from reinsurers	535 374	192 897	(67)	173 342	-	901 546	-	-	-	901 546
Net claims	479 766	450 913	1 274 868	164 163	-	2 369 710	-	6 100 004	6 100 004	8 469 714
Commission expense	655 974	209 174	211 838	85 477	-	1 162 463	-	4 095 381	4 095 381	1 162 463
Management expenses	581 326	346 575	837 611	146 921	-	1 912 433	-	10 195 385	10 195 385	6 007 814
Net insurance claims and expenses	1 717 066	1 006 662	2 324 317	396 561	-	5 444 606	-	(2 622 823)	(2 622 823)	15 639 991
Net investment income-statutory funds	-	-	-	-	-	-	-	234 388	234 388	234 388
Net Change in Insurance Liabilities (Other than outstanding Claims)	-	-	-	-	-	-	-	875 125	875 125	2 120 810
Underwriting result	618 542	181 623	217 584	227 936	-	1 245 685	-	-	-	547 309
Net investment income	-	-	-	-	-	547 309	-	-	-	77 287
Rental income	-	-	-	-	-	77 287	-	-	-	75 631
Other income	-	-	-	-	-	75 631	-	-	-	(51 023)
Other expenses	-	-	-	-	-	(42 769)	-	-	-	21 286
Finance costs	-	-	-	-	-	21 286	-	-	-	85 219
Profit before tax from takaful operations	-	-	-	-	-	2 009 648	-	-	-	2 876 519
Profit before tax	-	-	-	-	-	2 009 648	-	-	-	2 876 519
Corporate segment assets-conventional	9 187 212	1 306 367	754 612	1 146 424	-	12 394 615	-	110 795 622	110 795 622	123 190 237
Corporate segment assets-Takaful OPF	51 033	7 811	259 768	18 209	-	336 821	-	-	-	336 821
Corporate unallocated assets-conventional	-	-	-	-	-	28 463 424	-	3 859 969	3 859 969	32 323 393
Corporate unallocated assets-Takaful OPF	-	-	-	-	-	282 526	-	-	-	282 526
Consolidated total assets	9 238 245	1 314 178	1 014 380	1 164 633	-	12 631 430	-	114 655 591	114 655 591	156 132 977
Corporate segment liabilities	12 953 031	2 164 464	2 672 020	2 715 299	-	20 504 814	-	106 068 605	106 068 605	126 573 419
Corporate segment liabilities-Takaful OPF	46 583	6 371	293 550	14 705	-	361 209	-	-	-	361 209
Corporate unallocated liabilities	-	-	-	-	-	1 674 355	-	3 102 121	3 102 121	4 776 476
Corporate unallocated liabilities-Takaful OPF	-	-	-	-	-	1 794	-	-	-	1 794
Consolidated total liabilities	13 000 614	2 170 835	2 965 570	2 730 004	-	22 542 172	-	109 170 726	109 170 726	131 712 898

External premium less reinsurance by geographical segments 2018 (Unaudited)  
 19 387 166  
 \* EPZ  
 11 397  
 Total  
 19 398 563

\* This represents US Dollar Equivalent in Pak Rupees



	General Insurance					Rupees '000
	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Nine months period ended 30 September 2017
Premium Receivable (inclusive of FED, Federal insurance fee and Administrative surcharge)	10 942 540	2 212 519	3 196 645	1 307 803	–	17 659 507
Less: Federal excise duty	1 379 732	248 749	385 258	140 185	–	2 153 924
Stamp duty	504	72 837	1 265	1 399	–	76 005
Federal insurance fee	94 705	18 749	27 895	11 608	–	152 957
Gross Written Premium (inclusive of Administrative surcharge)	9 467 599	1 872 184	2 782 227	1 154 611	–	15 276 621
Gross direct premium	9 422 366	1 834 026	2 499 334	1 132 336	–	14 888 062
Facultative inward premium	14 288	1 113	–	–	–	15 401
Administrative surcharge	30 945	37 045	282 893	22 275	–	373 158
Insurance premium earned	7 740 878	1 626 332	2 577 779	1 048 009	–	12 992 998
Insurance premium ceded to reinsurers	5 904 345	522 856	13 151	568 417	–	7 008 769
Net insurance premium	1 836 533	1 103 476	2 564 628	479 592	–	5 984 229
Commission income	520 074	22 883	–	146 121	–	689 078
Net underwriting income	2 356 607	1 126 359	2 564 528	625 713	–	6 673 307
Insurance claims	2 531 815	454 300	1 271 621	332 558	–	4 590 294
Insurance claims recovered from reinsurers	2 061 286	52 226	(82)	180 167	–	2 293 597
Net claims	470 529	402 074	1 271 703	152 391	–	2 296 697
Commission expense	630 139	192 859	213 959	82 754	–	1 119 711
Management expenses	545 266	301 282	761 521	141 531	–	1 749 600
Net insurance claims and expenses	1 645 934	896 215	2 247 183	376 676	–	5 166 008
Underwriting result	710 637	230 144	317 445	249 037	–	1 507 299
Net investment income						1 226 208
Rental income						71 643
Other income						83 313
Other expenses						(35 070)
Finance costs						523
Profit before tax from takaful operations						27 061
Profit before tax						2 880 977
						As at 31 December 2017 (Audited) (restated)
Corporate segment assets - conventional	9 623 292	1 020 762	579 921	1 003 794	–	12 227 769
Corporate segment assets - Takaful OPF	26 159	4 429	144 487	6 942	–	182 017
Corporate unallocated assets - conventional						30 981 529
Corporate unallocated assets - Takaful OPF						251 463
Consolidated total assets						43 642 778
Corporate segment liabilities	14 035 587	1 855 601	2 450 302	2 256 262	–	20 597 752
Corporate segment liabilities - Takaful OPF	22 634	4 009	194 668	15 380	–	236 691
Corporate unallocated liabilities						1 965 363
Corporate unallocated liabilities - Takaful OPF						1 687
Consolidated total liabilities						22 801 493
		External premium less reinsurance by geographical segments 2017 (Unaudited)				
Location						
Pakistan		5 971 684				
*EPZ		12 545				
Total		5 984 229				

\* This represents US Dollar Equivalent in Pak Rupees

Rupees '000

	General Insurance						Life Assurance		Aggregate Life Assurance	Three months period ended 30 September 2018
	Fire & property damage	Marine, aviation & transport	Motor		Miscellaneous	Treaty	Shareholders' Fund	Statutory Funds		
			Motor	Miscellaneous						
Premium Receivable (inclusive of FED Federal Insurance Fee and Administrative Surcharge)	3 666 107	756 926	1 283 230	409 719	-	-	-	6 650 172	6 650 172	12 766 154
Less: Federal Excise Duty	426 990	83 055	152 132	44 475	-	-	-	-	-	706 652
Stamp Duty	239	33 627	395	365	-	-	-	-	-	34 626
Federal Insurance Fee	32 046	6 337	11 197	3 615	-	-	-	-	-	53 195
Gross Written Premium (inclusive of Administrative Surcharge)	3 206 832	633 907	1 119 506	361 264	-	-	-	6 650 172	6 650 172	11 971 681
Gross direct premium	3 188 469	620 284	1 023 040	353 382	-	-	-	6 650 172	6 650 172	11 835 347
Facultative inward premium	2 346	-	-	2 346	-	-	-	-	-	2 346
Administrative Surcharge	16 017	13 623	96 466	7 882	-	-	-	-	-	133 988
Insurance premium earned	2 716 073	622 728	852 455	379 723	-	-	-	6 650 172	6 650 172	11 221 151
Insurance premium ceded to reinsurers	1 879 474	206 793	3 249	215 070	-	-	-	-	-	2 304 586
Net insurance premium	836 599	415 935	849 206	164 653	-	-	-	6 650 172	6 650 172	8 916 565
Commission income	225 892	4 291	-	53 130	-	-	-	-	-	283 313
Net underwriting income	1 062 491	420 226	849 206	217 783	-	-	-	6 650 172	6 650 172	9 199 878
Insurance claims	402 583	238 123	430 782	143 019	-	-	-	2 887 218	2 887 218	4 101 725
Insurance claims recovered from reinsurers	291 911	30 944	3	82 224	-	-	-	-	-	405 082
Net claims	110 672	207 179	430 779	60 795	-	-	-	2 887 218	2 887 218	3 696 643
Commission expense	189 487	69 106	70 163	29 275	-	-	-	-	-	358 031
Management expenses	238 429	107 053	248 798	46 781	-	-	-	1 970 216	1 970 216	2 611 277
Net insurance claims and expenses	538 588	383 338	749 740	136 851	-	-	-	4 857 434	4 857 434	6 665 951
Net investment income-statutory funds	-	-	-	-	-	-	-	(478 234)	(478 234)	(478 234)
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	(940 721)	(940 721)	(940 721)
Underwriting result	523 903	36 888	99 466	80 932	-	-	-	373 783	373 783	1 114 972
Net investment income	-	-	-	-	-	-	-	-	-	178 474
Rental income	-	-	-	-	-	-	-	-	-	27 292
Other income	-	-	-	-	-	-	-	-	-	25 209
Other expenses	-	-	-	-	-	-	-	(1 651)	(1 651)	11 633
Finance costs	-	-	-	-	-	-	-	-	-	5 133
Profit before tax from takaful operations	-	-	-	-	-	-	-	-	-	31 989
Profit before tax	-	-	-	-	-	-	-	372 132	372 132	1 371 436



Rupees '000

	General Insurance					Three months period ended 30 September 2017
	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	
Premium Receivable (inclusive of FED, Federal insurance fee and Administrative surcharge)	4 751 509	673 746	1 208 597	409 889	–	7 043 741
Less: Federal excise duty	600 513	76 174	145 089	44 902	–	866 678
Stamp duty	249	22 001	431	345	–	23 026
Federal insurance fee	42 300	5 781	10 414	3 585	–	62 080
Gross Written Premium (inclusive of Administrative surcharge)	4 108 447	569 790	1 052 663	361 057	–	6 091 957
Gross direct premium	4 093 656	558 286	963 048	352 676	–	5 967 666
Facultative inward premium	–	–	–	–	–	–
Administrative surcharge	14 791	11 504	89 615	8 381	–	124 291
Insurance premium earned	2 875 330	552 421	866 262	346 584	–	4 640 597
Insurance premium ceded to reinsurers	2 027 902	188 369	4 977	191 828	–	2 413 076
Net insurance premium	847 428	364 052	861 285	154 756	–	2 227 521
Commission income	201 107	5 611	–	46 963	–	253 681
Net underwriting income	1 048 535	369 663	861 285	201 719	–	2 481 202
Insurance claims	641 214	226 363	405 268	124 483	–	1 397 328
Insurance claims recovered from reinsurers	462 373	39 123	11	60 103	–	561 610
Net claims	178 841	187 240	405 257	64 380	–	835 718
Commission expense	242 744	64 587	71 746	27 230	–	406 307
Management expenses	223 864	86 395	230 582	40 654	–	581 495
Net insurance claims and expenses	645 449	338 222	707 585	132 264	–	1 823 520
Underwriting result	403 086	31 441	153 700	69 455	–	657 682
Net investment income						180 274
Rental income						27 705
Other income						28 521
Other expenses						(7 364)
Finance costs						323
Profit before tax from takaful operations						8 450
Profit before tax						895 591



**30. Movement in investment**

Name of investment	Rupees '000				
	Held to maturity	Available for sale	Fair value through P & L	Deposits maturing within 12 months	Total
At beginning of previous year	–	24 040 198	–	671 880	24 712 078
Additions	–	15 282 869	–	1 623 884	16 906 753
Disposals (sale and redemptions)	–	( 12 519 295 )	–	( 1 865 214 )	( 14 384 509 )
Fair value net gains (excluding net realised gains)	–	( 804 795 )	–	–	( 804 795 )
Impairment losses	–	( 52 836 )	–	–	( 52 836 )
At beginning of the period	–	25 946 141	–	430 550	26 376 691
Additions	16 226 256	26 794 210	194 941 716	89 016 843	326 979 025
Disposals (sale and redemptions)	( 13 461 000 )	( 26 573 338 )	( 124 208 300 )	( 54 693 975 )	( 218 936 613 )
Fair value net gains (excluding net realised gains)	–	( 2 335 793 )	( 1 996 480 )	–	( 4 332 273 )
Impairment losses	–	( 41 278 )	–	–	( 41 278 )
At end of the period	<u>2 765 256</u>	<u>23 789 942</u>	<u>68 736 936</u>	<u>34 753 418</u>	<u>130 045 552</u>

**31 Fair value**

31.1 IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

31.2 All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Following are the assets where fair value is only disclosed and is different from their carrying value:



## As at 30 September 2018 (Unaudited)

	Available for Sale	Held to maturity	Loan & Receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
							Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>									
<b>Investments</b>									
Equity securities - quoted	49 619 263					49 619 263	49 619 263		
Equity securities - unquoted	31 508					31 508			31 508
Government securities	38 648 204					38 648 204		38 648 204	
Mutual funds	175 464					175 464		175 464	
Sukuk Bonds	810 729					810 729		810 729	
Debt securities	2 623 046					2 623 046	2 623 046		
<b>Financial assets not measured at fair value</b>									
Term deposits*				334 672		334 672			
Government securities		3 173 920				3 173 920		447 755	
Loans and other receivables*			167 952			167 952			
Insurance / reinsurance receivables*			3 217 912			3 217 912			
Reinsurance recoveries against outstanding claims*			3 243 787			3 243 787			
Advances*			90 508	1 125 278		1 215 786			
Other assets*				1 146 635		1 146 635			
Certificate of investment*	210 000					210 000			
Cash and bank*	37 911 643					37 911 643			
Total assets of Window Takaful Operations - Operator's Fund*	156 299		272 768	106 932		535 999		156 299	
	<u>130 186 156</u>	<u>3 173 920</u>	<u>6 992 927</u>	<u>2 713 517</u>	<u>-</u>	<u>143 066 520</u>	<u>52 242 309</u>	<u>40 238 451</u>	<u>31 508</u>
<b>Financial liabilities not measured at fair value</b>									
Outstanding claims including IBNR*					(5 310 033)	(5 310 033)			
Premium received in advance*					(29 864)	(29 864)			
Insurance / reinsurance payables*					(4 787 253)	(4 787 253)			
Other creditors and accruals*					(5 386 233)	(5 386 233)			
Total liabilities of Window Takaful Operations - Operator's Fund*					(70 967)	(70 967)			
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15 584 350)</u>	<u>(15 584 350)</u>	<u>-</u>	<u>-</u>	<u>-</u>

\* The Holding Company has not disclosed the fair value of these items because their carrying amounts are reasonable approximation of fair value.

Rupees '000

As at 31 December 2017 (Audited)								
	Available for Sale	Loan & Receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>								
Investments								
Equity securities - quoted	17 408 374				17 408 374	17 408 374		
Equity securities - unquoted	10 500				10 500			10 500
Government securities	8 527 268				8 527 268		8 527 268	
<b>Financial assets not measured at fair value</b>								
Term deposits*			430 550		430 550			
Loans and other receivables*		118 618			118 618			
Insurance / reinsurance receivables*		2 819 069			2 819 069			
Reinsurance recoveries against outstanding claims*		3 538 572			3 538 572			
Cash and bank*			1 164 209		1 164 209			
Total assets of Window Takaful Operations - Operator's Fund*	30 482	125 198	210 264		365 944		30 482	
	<u>25 976 624</u>	<u>6 601 457</u>	<u>1 805 023</u>	<u>-</u>	<u>34 383 104</u>	<u>17 408 374</u>	<u>8 557 750</u>	<u>10 500</u>
<b>Financial liabilities not measured at fair value</b>								
Outstanding claims including IBNR*				(5 572 347)	(5 572 347)			
Premium received in advance*				(31 487)	(31 487)			
Insurance / reinsurance payables*				(4 992 011)	(4 992 011)			
Other creditors and accruals*				(1 814 387)	(1 814 387)			
Total liabilities of Window Takaful Operations - Operator's Fund*				(31 382)	(31 382)			
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12 441 614)</u>	<u>(12 441 614)</u>	<u>-</u>	<u>-</u>	<u>-</u>

\* The Holding Company has not disclosed the fair value of these items because their carrying amounts are reasonable approximation of fair value.



### 32. Corresponding Figures

During last year the SECP vide SRO 89(I)/2017 dated 09 February 2017 has issued Insurance Rules, 2017 (the Rules), which requires every Company to prepare their consolidated condensed interim financial statements as per the presentation and disclosure requirement prescribed in the format, in view of the applicability of the Rules, the Holding Company has changed the presentation and disclosures of the consolidated condensed interim financial statements and recorded its investments as per IAS 39, which was further explained in note 6.1.1.

### 33. General

33.1 The effects of changes stated in note 6.1 have been accounted for retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', resulting in restatement of financial statements of prior periods. Resultantly, the cumulative effect of adjustments that arose as at 01 January 2017 and 01 January 2018 have been presented and disclosed as part of the statement of changes in equity, while the corresponding period adjustment through other comprehensive income and profit or loss is restated and disclosed as part of the Statement of Comprehensive Income and Profit and Loss Account respectively. The Balance Sheet also presents the prior year numbers as restated, due to the said change.

### 34. Date of authorisation for issue of consolidated condensed interim financial statements

These consolidated condensed interim financial statements were authorised for issue by the Board of Directors in its meeting held on 27 October 2018.

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

ALTAF GOKAL  
Chief Financial Officer &  
Corporate Secretary

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018

# Window Takaful Operations

## Condensed Interim Financial Statements

For the nine months period ended 30 September 2018 (Unaudited)



EFU General Insurance Limited – Window Takaful Operations  
Condensed Interim Statement of Financial Position  
As at 30 September 2018

Rupees '000

		30 September 2018 (Unaudited)			31 December 2017 (Audited) Aggregate (Restated)
	Note	Operator's Fund	Participants' Takaful Fund	Aggregate	
<b>Assets</b>					
Property and equipment	9	2 969	–	2 969	3 603
Investments					
Debt securities	10	156 289	807 618	963 907	637 022
Term deposits	23	50 000	85 000	135 000	222 500
Loans and other receivables	11	3 757	11 013	14 770	17 690
Takaful / retakaful receivables	12	5 832	265 465	271 297	255 458
Retakaful recoveries against outstanding claims	18	–	108 239	108 239	88 944
Salvage recoveries accrued		–	65 105	65 105	30 900
Deferred commission expense	20	105 628	–	105 628	61 094
Wakala fees receivable		225 361	–	225 361	115 426
Modarib fees receivable		7 818	–	7 818	2 843
Deferred wakala fees	17	–	291 380	291 380	206 827
Taxation - payments less provision		4 204	8 909	13 113	7 601
Prepayments	13	557	232 880	233 437	144 249
Cash and bank	14	56 932	185 809	242 741	241 336
<b>Total assets</b>		<b>619 347</b>	<b>2 061 418</b>	<b>2 680 765</b>	<b>2 035 493</b>
<b>Equity and Liabilities</b>					
<b>Operator's Fund</b>					
Statutory Fund		100 000	–	100 000	100 000
Revaluation reserve		(2 399)	–	(2 399)	(107)
Accumulated profit		134 864	–	134 864	49 645
		232 465	–	232 465	149 538
<b>Waqf / Participants' Takaful Fund</b>					
Cede money		–	500	500	500
Revaluation reserve - available for sale investment		–	(20 566)	(20 566)	(1 279)
Accumulated surplus		–	255 300	255 300	140 415
		–	235 234	235 234	139 636
<b>Liabilities</b>					
<b>Underwriting provisions</b>					
Outstanding claims including IBNR	18	–	418 443	418 443	340 118
Unearned contribution reserves	16	–	1 003 968	1 003 968	823 906
Unearned retakaful rebate	19	–	22 267	22 267	16 062
Retirement benefit obligations		112	–	112	169
Contribution received in advance		–	1 822	1 822	1 439
Takaful / retakaful payables		544	124 646	125 190	142 778
Unearned wakala fees		291 380	–	291 380	206 827
Wakala fees payable		–	225 361	225 361	115 426
Modarib fees payable		–	7 818	7 818	2 843
Other creditors and accruals	15	70 967	21 859	92 826	51 187
Payable to EFU General Insurance Limited	7	23 879	–	23 879	45 564
<b>Total Liabilities</b>		<b>386 882</b>	<b>1 826 184</b>	<b>2 213 066</b>	<b>1 746 319</b>
<b>Total equity and liabilities</b>		<b>619 347</b>	<b>2 061 418</b>	<b>2 680 765</b>	<b>2 035 493</b>
<b>Contingencies and commitments</b>	8				

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

ALTAZ GOKAL  
Chief Financial Officer &  
Corporate Secretary

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018

EFU General Insurance Limited – Window Takaful Operations  
Condensed Interim Profit and Loss Account  
For the nine months period ended 30 September 2018 (Unaudited)

Rupees '000

	Note	Three months period ended 30 September		Nine months period ended 30 September	
		2018	2017	2018	2017
<b>Participants' Takaful Fund - (PTF) Revenue Account</b>					
Net takaful contribution	16	397 731	275 977	1 134 686	760 671
Wakala expense	17	( 129 821 )	( 78 971 )	( 354 747 )	( 207 491 )
Net takaful claims	18	( 162 145 )	( 144 839 )	( 568 513 )	( 366 980 )
Direct expenses		( 67 431 )	( 43 445 )	( 154 772 )	( 131 958 )
Retakaful rebate	19	14 698	7 960	31 302	21 276
<b>Underwriting results</b>		<b>53 032</b>	<b>16 682</b>	<b>87 956</b>	<b>75 518</b>
Investment income - net of modarib	21	8 367	1 537	21 552	15 502
Other income - net of modarib		2 147	1 852	5 386	4 230
		<u>10 514</u>	<u>3 389</u>	<u>26 938</u>	<u>19 732</u>
Results of operating activities		63 546	20 071	114 894	95 250
Finance cost		( 2 )	( 7 )	( 9 )	( 12 )
Surplus for the period		<u>63 544</u>	<u>20 064</u>	<u>114 885</u>	<u>95 238</u>
<b>Operator's Fund - (OPF) Revenue Account</b>					
Wakala fee	17	129 821	78 971	354 747	207 491
Management expenses		( 59 667 )	( 46 746 )	( 168 901 )	( 122 017 )
Commission expense	20	( 45 874 )	( 25 244 )	( 119 996 )	( 67 241 )
		<u>24 280</u>	<u>6 981</u>	<u>65 850</u>	<u>18 233</u>
Investment income	21	6 307	480	15 438	6 519
Other income		1 536	1 102	4 512	2 842
Other expenses		( 134 )	( 113 )	( 581 )	( 533 )
		<u>7 709</u>	<u>1 469</u>	<u>19 369</u>	<u>8 828</u>
Results of operating activities		31 989	8 450	85 219	27 061
Profit for the period		<u>31 989</u>	<u>8 450</u>	<u>85 219</u>	<u>27 061</u>

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

ALTAF GOKAL  
Chief Financial Officer &  
Corporate Secretary

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 27 October 2018



EFU General Insurance Limited – Window Takaful Operations  
Condensed Interim Statement of Comprehensive Income  
For the nine months period ended 30 September 2018 (Unaudited)

	Rupees '000 (Restated)			
	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017	2018	2017
<b>Participant's Fund</b>				
Surplus for the period	63 544	20 064	114 885	95 238
<b>Other comprehensive income</b>				
Unrealized loss on available-for-sale investments during the period - net	–	–	( 514 )	( 97 )
Reclassification adjustments relating to available- for-sale investments disposed off in the period - net	( 11 750 )	582	( 18 773 )	( 1 118 )
Total items that may be reclassified subsequently to profit and loss	( 11 750 )	582	( 19 287 )	( 1 215 )
<b>Total comprehensive income for the period</b>	<u>51 794</u>	<u>20 646</u>	<u>95 598</u>	<u>94 023</u>
<b>Operator's Fund</b>				
<b>Profit for the period</b>	31 989	8 450	85 219	27 061
Reclassification adjustments relating to available- for-sale investments disposed off in the period - net	( 1 763 )	541	( 2 292 )	( 102 )
Total items that may be reclassified subsequently to profit and loss	( 1 763 )	541	( 2 292 )	( 102 )
<b>Total comprehensive income for the period</b>	<u>30 226</u>	<u>8 991</u>	<u>82 927</u>	<u>26 959</u>

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Chairman

Karachi 27 October 2018



EFU General Insurance Limited – Window Takaful Operations  
Condensed Interim Cash Flow Statement  
For the nine months period ended 30 September 2018 (Unaudited)

Rupees '000

(Restated)

	Operator's Fund	Participants' Takaful Fund	2018 Aggregate	2017 Aggregate
<b>Operating activities</b>				
a) Takaful activities				
Takaful contribution received	–	1 479 274	1 479 274	1 093 632
Retakaful contribution paid	–	( 257 203 )	( 257 203 )	( 88 648 )
Claims paid	–	( 626 324 )	( 626 324 )	( 371 490 )
Retakaful and other recoveries received	–	82 577	82 577	30 825
Commissions paid	( 124 567 )	–	( 124 567 )	( 69 749 )
Retakaful rebate received	–	37 507	37 507	31 841
Wakala fee received / (paid)	329 364	( 329 364 )	–	–
Management expenses paid	( 168 186 )	( 154 772 )	( 322 958 )	( 253 701 )
Net cash inflow from takaful activities	36 611	231 695	268 306	372 710
b) Other operating activities				
Income tax paid	( 1 366 )	( 4 146 )	( 5 512 )	( 4 924 )
Other operating payments	( 1 590 )	( 17 618 )	( 19 208 )	( 53 052 )
Other operating receipts	( 21 467 )	2 046	( 19 421 )	21 606
Net cash flow from other operating activities	( 24 423 )	( 19 718 )	( 44 141 )	( 36 370 )
<b>Total cash flow from all operating activities</b>	<b>12 188</b>	<b>211 977</b>	<b>224 165</b>	<b>336 340</b>
<b>Investment activities</b>				
Profit / return received	10 129	28 704	38 833	16 415
Dividend received	–	–	–	13 155
Modarib fee received / (paid)	2 563	( 2 563 )	–	–
Payment for investments	( 679 332 )	( 627 607 )	( 1 306 939 )	( 609 030 )
Proceeds from disposal of investments	623 734	421 726	1 045 460	429 380
Fixed capital expenditure	( 114 )	–	( 114 )	( 21 )
<b>Total cash flow from investing activities</b>	<b>( 43 020 )</b>	<b>( 179 740 )</b>	<b>( 222 760 )</b>	<b>( 150 101 )</b>
<b>Net cash flow from all activities</b>	<b>( 30 832 )</b>	<b>32 237</b>	<b>1 405</b>	<b>186 239</b>
Cash and cash equivalents at the beginning of the period	87 764	153 572	241 336	260 621
<b>Cash and cash equivalents at the end of the period</b>	<b>56 932</b>	<b>185 809</b>	<b>242 741</b>	<b>446 860</b>
<b>Reconciliation to profit and loss account</b>				
Operating cash flow	12 188	211 977	224 165	336 340
Depreciation expense	( 749 )	–	( 749 )	( 770 )
Finance cost	–	( 7 )	( 7 )	–
Loss on disposal of investments	–	( 386 )	( 386 )	–
Other investment income	15 438	21 938	37 376	18 134
Other income	4 512	5 393	9 905	10 959
Increase in assets other than cash	156 771	234 802	391 573	471 679
Increase in liabilities other than borrowings	( 102 941 )	( 358 832 )	( 461 773 )	( 714 043 )
<b>Profit / surplus for the period</b>	<b>85 219</b>	<b>114 885</b>	<b>200 104</b>	<b>122 299</b>
<b>Attributed to</b>				
Operator's Fund	85 219	–	85 219	27 061
Participants' Takaful Fund	–	114 885	114 885	95 238
	<b>85 219</b>	<b>114 885</b>	<b>200 104</b>	<b>122 299</b>

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.

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Karachi 27 October 2018



EFU General Insurance Limited – Window Takaful Operations  
Condensed Interim Statement of Changes in Funds  
For the nine months period ended 30 September 2018 (Unaudited)

Rupees '000

	Operator's Fund			Total
	Statutory fund	Revaluation reserve	Accumulated profit	
Balance as at 01 January 2017 as previously reported	100 000		2 790	102 790
Restatement due to change in accounting policy (refer note 4.1.1)		( 143 )		( 143 )
Balance as at 01 January 2017 (restated)	100 000	( 143 )	2 790	102 647
<b>Total comprehensive income for the period ended 30 September 2017</b>				
Profit for the period			27 061	27 061
Other comprehensive income		( 102 )		( 102 )
Balance as at 30 June 2017 (restated)	100 000	( 245 )	29 851	129 606
Balance as at 01 January 2018 as previously reported	100 000		49 645	149 645
Restatement due to change in accounting policy (refer note 4.1.1)		( 107 )		( 107 )
Balance as at 01 January 2018 (restated)	100 000	( 107 )	49 645	149 538
<b>Total comprehensive income for the period ended 30 September 2018</b>				
Profit for the period			85 219	85 219
Other comprehensive income		( 2 292 )		( 2 292 )
Balance as at 30 September 2018	100 000	( 2 399 )	134 864	232 465
	Participants' Takaful Fund			Total
	Cede money	Revaluation reserve	Accumulated surplus	
Balance as at 01 January 2017 as previously reported	500		28 309	28 809
Restatement due to change in accounting policy (refer note 4.1.1)		5 643		5 643
Balance as at 01 January 2017 (restated)	500	5 643	28 309	34 452
Surplus for the period			95 238	95 238
Other comprehensive income		( 1 215 )		( 1 215 )
Balance as at 30 September 2017	500	4 428	123 547	128 475
Balance as at 01 January 2018 as previously reported	500		140 415	140 915
Restatement due to change in accounting policy (refer note 4.1.1)		( 1 279 )		( 1 279 )
Balance as at 01 January 2018 (restated)	500	( 1 279 )	140 415	139 636
Surplus for the period			114 885	114 885
Other comprehensive income		( 19 287 )		( 19 287 )
Balance as at 30 September 2018	500	( 20 566 )	255 300	235 234

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.

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Karachi 27 October 2018

## EFU General Insurance Limited – Window Takaful Operations

### Notes to the Condensed Interim Financial Statements

#### For the nine months period ended 30 September 2018 (Unaudited)

#### 1. Legal status and nature of business

EFU General Insurance Limited (the Operator) has been allowed to undertake Window Takaful Operations (the Operations) on 16 April 2015 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan.

For the purpose of carrying on the takaful business, the Operator has formed a Waqf / Participants' Takaful Fund (PTF) on 06 May 2015 under the Waqf deed. The Waqf deed governs the relationship of Operator and participants for management of takaful operations.

#### 2. Basis of preparation and statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012. Where the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017 Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 have been followed. Total assets, total liabilities and profit of the Window Takaful Operations of the Operator's referred to as the Operator's Fund has been presented in these condensed interim financial information in accordance with the requirements of Circular 25 of 2015 dated July 9, 2015. A separate set of condensed interim financial information of the General Window Takaful Operations has been reported which is annexed to these condensed interim financial information as per the requirements of the SECP Takaful Rules, 2012.

These condensed interim financial information do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Operator's annual financial statements for the year ended 31 December 31 2017.

#### 3. Basis of measurement

3.1 The condensed interim financial statements have been prepared under the historical cost basis except for the available-for-sale investments, property and equipments and investment property that have been measured at fair value.

3.2 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is also the Operator's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupees, unless otherwise stated.

3.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following revised standards, amendments and interpretations with respect to the approved accounting standards would be effective from the dates mentioned below against the respective standard or interpretation:

- IFRS 9 'Financial Instruments'

IFRS 9 'Financial Instruments' and amendment - Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 July 2018 and 1 January 2019 respectively). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments. A new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The Operator is currently in the process of analyzing the potential impact of changes required in classification and measurement of financial instruments and the impact of expected loss model on adoption of the standard.



- IFRS 15 'Revenue from contracts with customers'

IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 July 2018). IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes'. The Operator is currently in the process of analyzing the potential impact of changes required in revenue recognition policies on adoption of the standard.

- 'IFRS 16 'Leases'

IFRS 16 'Leases' (effective for annual period beginning on or after 1 January 2019). IFRS 16 replaces existing leasing guidance including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC 15 'Operating Leases - Incentives' and SIC 27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessor continue to classify leases as finance or operating leases. The Operator is currently in the process of analyzing the potential impact of its lease arrangements that will result in recognition of right to use assets and liabilities on adoption of the standard.

#### 4. Summary of significant accounting policies

The accounting policies and method of computation adopted in the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the annual financial statements of the Operator for the year ended 31 December 2017 except for available-for-sale investment and format for preparation of financial statements as disclosed in note 4.1.1, 4.1.2 and 4.1.3 respectively.

Certain amendments and interpretations to approved accounting standards became effective during the period were not relevant to the Operator's operation and do not have any impact on the accounting policies of the Operator.

##### 4.1. Change in accounting policies

- 4.1.1 During the period, the Operator has changed its accounting policy for the valuation of the available-for-sale investments to comply with the requirements of the 'Insurance Rules, 2017' issued by Securities and Exchange Commission of Pakistan vide its S.R.O. 89(1)/ 2017 dated 09 February 2017. In line with the requirements provided in the Rules, the quoted available-for-sale investments are to be valued at market value and any unrealised gains or losses arising on revaluation of available-for-sale investments are taken to Other Comprehensive Income and transferred to revaluation reserves, whereas unquoted available-for-sale investments are valued at cost less impairment in value, if any. On derecognition or impairment of available-for-sale investments, the cumulative gains or losses previously reported in revaluation reserves are reclassified to Profit and Loss Account for the period. This change in accounting policy has been applied retrospectively in accordance with the requirement of IAS 8 'Accounting Policy, Change in Accounting Estimates and Error' and comparatives have been restated to conform to the changed policy.

Accordingly, retrospective adjustments have been made in these condensed interim financial statements and comparatives have been revised as follows.

Rupees '000

	31 December 2017 (Audited)		
	Balance previously reported	Adjustment	Balance restated
Investments			
Debt securities	30 589	( 107 )	30 482
<b>Participants' Takaful Fund</b>			
Investments			
Debt securities	607 819	( 1 279 )	606 540

Previously, quoted available-for-sale investments were stated at the lower of cost or market value (market value being taken as lower if the reduction is other than temporary) in accordance with the requirements of the SEC (Insurance) Rules, 2002.

Had the accounting policy not been changed, available-for-sale investments of PTF would have been lower by Rs. 20.57 million, (December 2017: Rs. 1.28 million) and available-for-sale investments of OPF would have been lower by Rs. 2.40 million, (December 2017: Rs. 0.11 million).

- 4.1.2. During the period, the Operator has changed format for preparation of its condensed interim financial statements to comply with the requirements of the 'Insurance Rules, 2017' issued by SECP vide its S.R.O. 89(1)/ 2017 dated 09 February 2017. In line with the requirements provided in the Rules, accordingly these are the first set of condensed interim financial statements of the Operator for the nine months period ended 30 September 2018.
- 4.1.3. During the period, the Companies Act, 2017 has been implemented, however there is no impact on the condensed interim financial statements.

## 5. Accounting estimates and judgements

The preparation of these condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Operator's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2017.

## 6. Management of takaful and financial risk

Takaful and financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2017.

## 7. Payable to EFU General Insurance Limited

This represents payable in respect of expenses incurred by EFU General Insurance Limited on behalf of the Operator.

## 8. Contingencies and commitments

There are no contingencies and commitments as at 30 September 2018 (31 December 2017: Nil).

## 9. Property and equipment

The details of additions and disposals during the nine months period ended 30 September 2018 are as follows:

Rupees '000

	Additions (at cost)		Disposals (at net book value)	
	30 September 2018 ( Unaudited )	30 September 2017 ( Unaudited )	30 September 2018 ( Unaudited )	30 September 2017 ( Unaudited )
Furniture and fixtures	–	21	–	–
Computers	114	–	–	–
	<u>114</u>	<u>21</u>	<u>–</u>	<u>–</u>



## 10. Investment in Debt Securities

Rupees '000

### 10.1 Operator's Fund

	30 September 2018 (Unaudited)			31 December 2017 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
<b>Fixed Income Securities</b>						
Ijara Sukuk	30 565	–	30 565	30 589	–	30 589
Corporate Sukuk	128 123	–	128 123			
Deficit on revaluation	(2 399)	–	(2 399)	(107)	–	(107)
	<u>156 289</u>	<u>–</u>	<u>156 289</u>	<u>30 482</u>	<u>–</u>	<u>30 482</u>

### 10.2 Participants' Takaful Fund

<b>Fixed Income Securities</b>						
Ijara Sukuk - PTF	650 071	–	650 071	607 819	–	607 819
Corporate Sukuk	178 113	–	178 113	–	–	–
	828 184	–	828 184	607 819	–	607 819
Deficit on revaluation	(20 566)	–	(20 566)	(1 279)	–	(1 279)
	<u>807 618</u>	<u>–</u>	<u>807 618</u>	<u>606 540</u>	<u>–</u>	<u>606 540</u>

## 11. Loans and other receivables - considered good

	30 September 2018 (Unaudited)	31 December 2017 (Audited)
<b>11.1 Operator's Fund</b>		
Accrued investment income	2 436	154
Security deposits	301	301
Sundry receivables	1 020	977
	<u>3 757</u>	<u>1 432</u>
<b>11.2 Participants' Takaful Fund</b>		
Accrued investment income	9 252	2 964
Sundry receivables	1 761	13 294
	<u>11 013</u>	<u>16 258</u>

## 12. Takaful / retakaful receivables - considered good

<b>12.1 Operator's fund</b>		
Due from other takaful / retakaful	5 832	5 497
	<u>5 832</u>	<u>5 497</u>
<b>12.2 Participants' Takaful Funds</b>		
Due from takaful contract holders	265 465	249 961
	<u>265 465</u>	<u>249 961</u>

Rupees '000

**13. Prepayments**

	Note	30 September 2018 ( Unaudited )	31 December 2017 ( Audited )
13.1 Operator's fund			
Annual supervision fees		547	–
Others		10	–
		<u>557</u>	<u>–</u>
13.2 Participants' Takaful Funds			
Prepaid retakaful contribution ceded	16	155 956	96 474
Prepaid charges for vehicle tracking devices		76 924	47 775
		<u>232 880</u>	<u>144 249</u>

**14. Cash and bank**

	30 September 2018 (Unaudited)			31 December 2017 (Audited)		
	OPF	PTF	Aggregate	OPF	PTF	Aggregate
Current accounts	52	2 952	3 004	21	1 218	1 239
Saving accounts	56 880	182 857	239 737	87 743	152 354	240 079
	<u>56 932</u>	<u>185 809</u>	<u>242 741</u>	<u>87 764</u>	<u>153 572</u>	<u>241 336</u>

**15. Other creditors and accruals**

	30 September 2018 ( Unaudited )	31 December 2017 ( Audited )
15.1 Operator's Fund		
Accrued expenses	1 382	1 492
Agent balance	69 285	29 865
Others	300	24
	<u>70 967</u>	<u>31 381</u>
15.2 Participants' Takaful Fund		
Federal insurance fee payable	1 659	1 444
Federal excise duty payable	18 197	16 726
Sundry creditors	2 003	1 636
	<u>21 859</u>	<u>19 806</u>



Rupees '000

**16. Net takaful contribution**

	Three months period ended		Nine months period ended	
	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)	30 September 2018 (Unaudited)	30 September 2017 (Unaudited)
Written gross contribution	623 519	494 239	1 494 336	1 182 637
Unearned contribution reserve opening	844 891	651 618	823 906	537 429
Unearned contribution reserve closing	( 1 003 968 )	( 816 742 )	( 1 003 968 )	( 816 742 )
Contribution earned	464 442	329 115	1 314 274	903 324
Less:				
Retakaful contribution ceded	146 906	109 111	239 070	188 611
Prepaid retakaful contribution opening	75 761	62 782	96 474	72 797
Prepaid retakaful contribution closing	( 155 956 )	( 118 755 )	( 155 956 )	( 118 755 )
Retakaful expense	66 711	53 138	179 588	142 653
Net contribution	397 731	275 977	1 134 686	760 671

**17. Net wakala fee**

Gross wakala fee	179 892	124 517	439 300	298 301
Deferred wakala expense opening	241 309	157 941	206 827	112 677
Deferred wakala expense closing	( 291 380 )	( 203 487 )	( 291 380 )	( 203 487 )
Wakala fee	129 821	78 971	354 747	207 491

**18. Net takaful claim expense**

Claims paid	168 048	109 067	592 119	355 946
Outstanding claims including IBNR opening	( 385 814 )	( 215 724 )	( 340 118 )	( 210 412 )
Outstanding claims including IBNR closing	418 443	318 657	418 443	318 657
Claims expense	200 677	212 000	670 444	464 191
Less:				
Retakaful and other recoveries received	13 218	7 263	82 636	30 893
Retakaful and other recoveries in respect of outstanding claims opening	( 82 925 )	( 45 200 )	( 88 944 )	( 38 780 )
Retakaful and other recoveries in respect of outstanding claims closing	108 239	105 098	108 239	105 098
Retakaful and other recoveries revenue	38 532	67 161	101 931	97 211
Net takaful claims expense	162 145	144 839	568 513	366 980

**19. Rebate from retakaful operators**

Rebate received or recoverable	25 822	19 627	37 507	31 841
Unearned retakaful rebate opening	11 143	11 258	16 062	12 360
Unearned retakaful rebate closing	( 22 267 )	( 22 925 )	( 22 267 )	( 22 925 )
Rebate from retakaful operator	14 698	7 960	31 302	21 276



20. Commission expense	Rupees '000			
	Three months period ended		Nine months period ended	
	30 September 2018 ( Unaudited )	30 September 2017 ( Unaudited )	30 September 2018 ( Unaudited )	30 September 2017 ( Unaudited )
Commission paid or payable	65 099	35 276	164 530	87 044
Deferred commission expense opening	86 403	48 248	61 094	38 477
Deferred commission expense closing	( 105 628 )	( 58 280 )	( 105 628 )	( 58 280 )
Net commission	<u>45 874</u>	<u>25 244</u>	<u>119 996</u>	<u>67 241</u>
<b>21. Investment income</b>				
21.1 Operator's Fund				
<b>Income from debt securities available-for-sale</b>				
– Return on debt securities (Sukuk)	1 742	141	2 520	141
<b>Income from term deposits</b>				
– Return on term deposits	<u>1 775</u>	<u>382</u>	<u>5 733</u>	<u>691</u>
	3 518	523	8 253	832
<b>Net realised gain on investments</b>				
Available-for-sale financial assets				
Realised gains on :				
– Equity securities	–	–	–	1 076
Realised gains on :				
– Debt securities	–	( 556 )	–	( 556 )
Modarib share on PTF investment income	<u>2 790</u>	<u>513</u>	<u>7 185</u>	<u>5 167</u>
Investment income	<u>6 307</u>	<u>480</u>	<u>15 438</u>	<u>6 519</u>
21.2 Participants' Takaful Funds				
<b>Income from equity securities available-for-sale</b>				
– Dividend income	–	–	–	12 079
<b>Income from debt securities available-for-sale</b>				
– Return on debt securities (Sukuk)	9 411	3 808	24 023	6 507
<b>Income from term deposits</b>				
– Return on term deposits	<u>1 746</u>	<u>1 384</u>	<u>5 228</u>	<u>3 195</u>
	11 157	5 192	29 251	21 781
<b>Net realised gain / (loss) on investments</b>				
Available-for-sale financial assets				
Realised gains on :				
– Equity securities	–	–	–	2 127
– Debt securities	–	–	73	–
Realised losses on :				
– Equity securities	–	–	–	( 97 )
– Debt securities	–	( 3 142 )	( 587 )	( 3 142 )
		( 3 142 )	( 514 )	( 1 112 )
	11 157	2 050	28 737	20 669
Less: Modarib share on PTF investment income	( 2 790 )	( 513 )	( 7 185 )	( 5 167 )
Investment income	<u>8 367</u>	<u>1 537</u>	<u>21 552</u>	<u>15 502</u>



## 22. Related party transactions

Related parties comprise of directors, major shareholders, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel, which are on employment terms. The transactions and balances with related parties are as follows:

Rupees '000

	Three months period ended 30 September (Unaudited)		Nine months period ended 30 September (Unaudited)	
	2018	2017	2018	2017
22.1 Operator's Fund				
<b>Transactions</b>				
<b>Others</b>				
Expenses paid	–	–	–	2
22.2 Participants' Takaful Funds				
<b>Transactions</b>				
<b>Key management personnel</b>				
Contribution written	–	–	3	70
Claim paid	–	–	–	3
<b>Others</b>				
Investments made	–	–	–	29 944
Investments sold	–	29 944	–	59 944

## 23. Segment information

### 23.1 Operator's Fund

Rupees '000

	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Nine months period ended 30 September 2018 ( Unaudited )
Wakala fee	28 341	13 295	295 479	17 632	–	354 747
Management expenses	10 948	4 043	148 629	5 281	–	168 901
Commission expense	16 370	6 678	95 292	1 656	–	119 996
Net commission and expenses	27 318	10 721	243 921	6 937	–	288 897
	1 023	2 574	51 558	10 695	–	65 850
Net Investment income						15 438
Other income						4 512
Other expenses						( 581 )
Profit for the period						85 219

						Rupees '000
	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	As at 30 September 2018 (Unaudited)
Corporate segment assets	51 026	7 810	259 768	18 218	–	336 822
Corporate unallocated assets						282 525
Total assets						<u>619 347</u>
Corporate segment liabilities	46 582	6 371	293 550	14 706	–	361 209
Corporate unallocated liabilities						25 673
Total liabilities						<u>386 882</u>
						Nine months period ended 30 September 2017 (Unaudited)
Wakala fee	19 888	6 225	165 372	16 006	–	207 491
Management expenses	16 797	5 315	89 880	10 025	–	122 017
Commission expense	10 567	3 027	50 666	2 981	–	67 241
Net commission and expenses	27 364	8 342	140 546	13 006	–	189 258
	<u>(7 476)</u>	<u>(2 117)</u>	<u>24 826</u>	<u>3 000</u>	<u>–</u>	<u>18 233</u>
Net Investment income						6 519
Other income						2 842
Other expenses						(533)
Profit for the period						<u>27 061</u>
						31 December 2017 (Audited)
Corporate segment assets	26 159	4 429	144 487	6 942	–	182 017
Corporate unallocated assets						251 463
Total assets						<u>433 480</u>
Corporate segment liabilities	22 634	4 009	194 668	15 380	–	236 691
Corporate unallocated liabilities						47 251
Total liabilities						<u>283 942</u>



Rupees '000

	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Three months period ended 30 September 2018 (Unaudited)
Wakala fee	10 633	4 316	108 275	6 597	–	129 821
Management expenses	3 954	1 549	52 082	2 082	–	59 667
Commission expense	6 192	2 306	36 876	500	–	45 874
Net commission and expenses	10 146	3 855	88 958	2 582	–	105 541
	487	461	19 317	4 015	–	24 280
Net Investment income						6 307
Other income						1 536
Other expenses						( 134 )
Profit for the period						31 989

	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Three months period ended 30 September 2017 (Unaudited)
Wakala fee	7 457	2 261	65 267	3 986	–	78 971
Management expenses	6 372	1 960	35 675	2 739	–	46 746
Commission expense	3 957	1 161	19 471	655	–	25 244
Net commission and expenses	10 329	3 121	55 146	3 394	–	71 990
	( 2 872 )	( 860 )	10 121	592	–	6 981
Net Investment income						480
Other income						1 102
Other expenses						( 113 )
Profit for the period						8 450

## 23.2 Participants' Takaful Funds

						Rupees '000
	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Nine months period ended 30 September 2018 (Unaudited)
Contribution receivable (inclusive of FED, Federal insurance fee and Administrative surcharge)	201 247	50 533	1 381 620	76 198	–	1 709 598
Less: Federal excise duty	22 897	5 411	160 685	8 670	–	197 663
Stamp duty	26	2 487	135	5	–	2 653
Federal insurance fee	1 766	422	12 090	668	–	14 946
Gross written contribution (inclusive of Administrative surcharge)	176 558	42 213	1 208 710	66 855	–	1 494 336
Gross direct contribution	174 495	40 161	996 277	66 687	–	1 277 620
Administrative surcharge	2 063	2 052	212 433	168	–	216 716
Takaful contribution earned	114 361	37 978	1 091 407	70 529	–	1 314 274
Takaful contribution ceded to retakaful	102 326	29 730	–	47 533	–	179 588
Net contribution revenue	12 035	8 248	1 091 407	22 996	–	1 134 686
Rebate from retakaful operator	18 003	6 689	–	6 610	–	31 302
Net underwriting income	30 038	14 937	1 091 407	29 606	–	1 165 988
Insurance claims	52 452	15 533	546 371	56 088	–	670 444
Insurance claims recovered from retakaful	47 114	12 269	(281)	42 829	–	101 931
Net claims	5 338	3 264	546 652	13 259	–	568 513
Wakala fee	28 341	13 295	295 479	17 632	–	354 747
PTF direct expense	7	5	154 747	13	–	154 772
Net insurance claims and expenses	33 686	16 564	996 878	30 904	–	1 078 032
Underwriting result	(3 648)	(1 627)	94 529	(1 298)	–	87 956
Net Investment income						21 552
Other income						5 386
Finance cost						(9)
Surplus for the period						114 885
						As at 30 September 2018 (Unaudited)
Corporate segment assets	259 389	21 206	551 763	114 303	–	946 661
Corporate unallocated assets						1 114 757
Total assets						2 061 418
Corporate segment liabilities	306 142	43 746	1 287 850	158 769	–	1 796 507
Corporate unallocated liabilities						29 677
Total liabilities						1 826 184



	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Rupees '000 Nine months period ended 30 September 2017 (Unaudited)
Contribution receivable (inclusive of FED, Federal insurance fee and Administrative surcharge)	128 745	23 927	1 102 370	98 622	–	1 353 664
Less: Federal Excise Duty	15 492	2 524	128 767	11 251	–	158 034
Stamp Duty	23	1 018	102	5	–	1 148
Federal insurance fee	1 127	202	9 651	865	–	11 845
Gross Written Contribution (inclusive of Administrative Surcharge)	112 103	20 183	963 850	86 501	–	1 182 637
Gross direct contribution	110 696	19 164	762 523	86 343	–	978 726
Administrative Surcharge	1 407	1 019	201 327	158	–	203 911
Takaful contribution earned	79 554	17 784	741 962	64 024	–	903 324
Takaful contribution ceded to retakaful	70 382	15 143	14 499	42 629	–	142 653
Net contribution revenue	9 172	2 641	727 463	21 395	–	760 671
Rebate from retakaful operator	12 918	3 407	–	4 951	–	21 276
Net underwriting income	22 090	6 048	727 463	26 346	–	781 947
Insurance claims	79 785	444	352 581	31 381	–	464 191
Insurance claims recovered from retakaful	71 739	400	–	25 072	–	97 211
Net claims	8 046	44	352 581	6 309	–	366 980
Wakala fee	19 888	6 225	165 372	16 006	–	207 491
PTF direct expense	10	3	131 921	24	–	131 958
Net insurance claims and expenses	27 944	6 272	649 874	22 339	–	706 429
Underwriting result	(5 854)	(224)	77 589	4 007	–	75 518
Net Investment income						15 502
Other income						4 230
Finance cost						(12)
Surplus for the period						95 238
						31 December 2017 (Audited)
Corporate segment assets	144 120	15 208	410 924	102 854	–	673 106
Corporate unallocated assets						928 907
Total assets						1 602 013
Corporate segment liabilities	202 492	27 378	1 060 658	149 200	–	1 439 728
Corporate unallocated liabilities						22 649
Total liabilities						1 462 377

Rupees '000

Three months  
period ended  
30 September  
2018  
(Unaudited)

	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	
Contribution receivable (inclusive of FED, Federal insurance fee and Administrative surcharge)	132 569	19 892	570 514	52 675	–	775 650
Less: Federal excise duty	17 010	3 844	111 657	7 264	–	139 775
Stamp Duty	19	1 653	92	4	–	1 768
Federal insurance fee	1 331	292	8 405	561	–	10 589
Gross written contribution (inclusive of Administrative surcharge)	114 210	14 103	450 360	44 846	–	623 519
Gross direct contribution	113 064	13 493	379 552	44 717	–	550 826
Administrative surcharge	1 146	610	70 808	129	–	72 692
Takaful contribution earned	42 531	13 074	382 453	26 384	–	464 442
Takaful contribution ceded to retakaful	39 049	10 164	–	17 498	–	66 711
Net contribution revenue	3 482	2 910	382 453	8 886	–	397 731
Rebate from retakaful operator	10 183	2 287	–	2 228	–	14 698
Net underwriting income	13 665	5 197	382 453	11 114	–	412 429
Insurance claims	9 564	7 697	153 754	29 662	–	200 677
Insurance claims recovered from retakaful	11 310	6 241	(29)	21 010	–	38 532
Net claims	(1 746)	1 456	153 783	8 652	–	162 145
Wakala fee	10 633	4 316	108 275	6 597	–	129 821
PTF direct expense	3	2	67 420	6	–	67 431
Net insurance claims and expenses	8 890	5 774	329 478	15 255	–	359 397
Underwriting result	4 775	(577)	52 975	(4 141)	–	53 032
Net Investment income						8 367
Other income						2 147
Finance cost						(2)
Surplus for the period						63 544



	Fire & property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Rupees '000 Three months period ended 30 September 2017 (Unaudited)
Contribution receivable (inclusive of FED, Federal insurance fee and Administrative surcharge)	67 671	10 196	411 653	59 676	–	549 196
Less: Federal Excise Duty	3 432	733	44 181	2 462	–	50 808
Stamp Duty	5	310	31	1	–	347
Federal insurance fee	248	60	3 305	189	–	3 802
Gross written contribution (inclusive of Administrative surcharge)	63 986	9 093	364 136	57 024	–	494 239
Gross direct contribution	63 262	8 706	296 411	56 904	–	425 283
Administrative surcharge	724	387	67 725	120	–	68 956
Takaful contribution earned	29 829	6 458	276 882	15 946	–	329 115
Takaful contribution ceded to retakaful	26 197	5 508	5 654	15 779	–	53 138
Net contribution revenue	3 632	950	271 228	167	–	275 977
Rebate from retakaful operator	4 772	1 239	–	1 949	–	7 960
Net underwriting income	8 404	2 189	271 228	2 116	–	283 937
Insurance claims	52 512	549	135 262	23 677	–	212 000
Insurance claims recovered from retakaful	47 239	494	–	19 428	–	67 161
Net claims	5 273	55	135 262	4 249	–	144 839
Wakala fee	7 457	2 261	65 267	3 986	–	78 971
PTF direct expense	7	2	43 423	13	–	43 445
Net insurance claims and expenses	12 737	2 318	243 952	8 248	–	267 255
Underwriting result	(4 333)	(129)	27 276	(6 132)	–	16 682
Net Investment income						1 537
Other income						1 852
Finance cost						(7)
Surplus for the period						20 064



## 24. Movement in investment

### 24.1 Operator's Fund

Rupees '000

Name of investment	Held to maturity	Available for sale	Fair value through P & L	Deposits maturing within 12 months	Total
At beginning of previous year	–	20 447	–	15 000	35 447
Additions	–	31 408	–	307 500	338 908
Disposals (sale and redemptions)	–	( 21 409 )	–	( 200 000 )	( 221 409 )
Fair value net gains (excluding net realised gains / losses)	–	36	–	–	36
At beginning of current year	–	30 482	–	122 500	152 982
Additions	–	128 332	–	551 000	679 332
Disposals (sale and redemptions)	–	( 233 )	–	( 623 500 )	( 623 733 )
Fair value net losses (excluding net realised gains / losses)	–	( 2 292 )	–	–	( 2 292 )
At end of current year	–	156 289	–	50 000	206 289

### 24.2 Participants' Takaful Fund

Name of investment	Held to maturity	Available for sale	Fair value through P & L	Deposits maturing within 12 months	Total
At beginning of previous year	–	385 673	–	94 000	479 673
Additions	–	637 777	–	777 500	1 415 277
Disposals (sale and redemptions)	–	( 409 988 )	–	( 771 500 )	( 1 181 488 )
Fair value net losses (excluding net realised gains / losses)	–	( 6 922 )	–	–	( 6 922 )
At beginning of current year	–	606 540	–	100 000	706 540
Additions	–	307 607	–	320 000	627 607
Disposals (sale and redemptions)	–	( 87 242 )	–	( 335 000 )	( 422 242 )
Fair value net losses (excluding net realised gains / losses)	–	( 19 287 )	–	–	( 19 287 )
At end of current year	–	807 618	–	85 000	892 618

## 25. Fair value

25.1 IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

25.2 All assets and liabilities for which fair value is measured or disclosed in the condensed interim financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



Following are the assets where fair value is only disclosed and is different from their carrying value:

Rupees '000

25.2.1 Operator's Fund

As at 30 September 2018 (Unaudited)								
	Available for Sale	Loan & Receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>								
Investments								
Debt Securites	156 289				156 289		156 289	
<b>Financial assets not measured at fair value</b>								
Investments								
Term deposits			50 000		50 000			
Loans and other receivables		3 757			3 757			
Takaful / retakaful receivables		5 832			5 832			
Wakala fees receivable		225 361			225 361			
Modarib fees receivable		7 818			7 818			
Cash and bank balances			56 932		56 932			
	<u>156 289</u>	<u>242 768</u>	<u>56 932</u>	<u>-</u>	<u>505 989</u>	<u>-</u>	<u>156 289</u>	<u>-</u>
<b>Financial liabilities not measured at fair value</b>								
Other creditors and accruals				(70 967)	(70 967)			
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(70 967)</u>	<u>(70 967)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>31 December 2017 (Audited)</b>								
	Available for Sale	Loan & Receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>								
Investments								
Debt Securites	30 482				30 482		30 482	
<b>Financial assets not measured at fair value</b>								
Investments								
Term deposits			122 500		122 500			
Loans and other receivables		1 432			1 432			
Takaful / retakaful receivables		5 497			5 497			
Wakala fees receivable		115 426			115 426			
Modarib fees receivable		2 843			2 843			
Cash and bank balances			87 764		87 764			
	<u>30 482</u>	<u>125 198</u>	<u>210 264</u>	<u>-</u>	<u>365 944</u>	<u>-</u>	<u>30 482</u>	<u>-</u>
<b>Financial liabilities not measured at fair value</b>								
Other creditors and accruals				(31 382)	(31 382)			
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31 382)</u>	<u>(31 382)</u>	<u>-</u>	<u>-</u>	<u>-</u>

## 25.2.2 Participants Takaful Fund

Rupees '000

	As at 30 September 2018 (Unaudited)					Fair value measurement using		
	Available for Sale	Loan & Receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>								
Investments								
Debt Securities	807 618				807 618		807 618	
<b>Financial assets not measured at fair value</b>								
Investments								
Term deposits			85 000		85 000			
Loans and other receivables		11 013			11 013			
Takaful / retakaful receivables		265 465			265 465			
Retakaful recoveries against outstanding claims		108 239			108 239			
Cash and bank balances			185 809		185 809			
	<u>807 618</u>	<u>384 717</u>	<u>270 809</u>	<u>-</u>	<u>1 463 144</u>	<u>-</u>	<u>807 618</u>	<u>-</u>
<b>Financial liabilities not measured at fair value</b>								
Outstanding claims including IBNR								
			(418 443)		(418 443)			
Contribution received in advance								
			(1 822)		(1 822)			
Takaful / retakaful payables								
			(124 646)		(124 646)			
Wakala fees payable								
			(225 361)		(225 361)			
Modarib fees payable								
			(7 818)		(7 818)			
Other creditors and accruals								
			(21 859)		(21 859)			
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(799 950)</u>	<u>(799 950)</u>	<u>-</u>	<u>-</u>	<u>-</u>



Rupees '000

## As at 31 December 2017 (Audited)

	Available for Sale	Loan & Receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using				
						Level 1	Level 2	Level 3	Total	
<b>Financial assets</b>										
<b>measured at fair value</b>										
Investments										
Debt Securities		606 540				606 540		606 540		
<b>Financial assets not</b>										
<b>measured at fair value</b>										
Investments										
Term deposits				100 000		100 000				
Loans and other receivables			16 258			16 258				
Takaful / retakaful receivables			249 961			249 961				
Retakaful recoveries against outstanding claims			88 944			88 944				
Cash and bank balances				153 572		153 572				
	<u>606 540</u>	<u>355 163</u>	<u>253 572</u>		<u>-</u>	<u>1 215 275</u>	<u>-</u>	<u>606 540</u>		<u>-</u>
<b>Financial liabilities not</b>										
<b>measured at fair value</b>										
Outstanding claims including IBNR					(340 118)	(340 118)				
Contribution received in advance					(1 439)	(1 439)				
Takaful / retakaful payables					(142 778)	(142 778)				
Wakala fees payable					(115 426)	(115 426)				
Modarib fees payable					(2 843)	(2 843)				
Other creditors and accruals					(19 805)	(19 805)				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(622 409)</u>	<u>(622 409)</u>	<u>-</u>	<u>-</u>		<u>-</u>

**26. Corresponding Figures**

During last year the SECP vide S.R.O. 89(1)/ 2017 dated 09 February, 2017 has issued Insurance Rules, 2017 (the Rules), which requires every Operator's to prepare their financial statements as per the presentation and disclosure requirement prescribed in the format, in view of the applicability of the Rules, the Operator has changed the presentation and disclosures of the financial statements and recorded its investments as per IAS 39, which was further explained in note 4.1.1.

**27. General**

- 27.1 Figures in these condensed interim financial statements for the quarter ended 30 September 2018 and 30 September 2017 have been subjected to limited scope review of the auditors.
- 27.2 The effects of changes stated in note 4.1 have been accounted for retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', resulting in restatement of financial statements of prior periods. Resultantly, the cumulative effect of adjustments that arose as at 01 January 2017 and 01 January 2018 have been presented and disclosed as part of the statement of changes in equity, while the corresponding period adjustment through other comprehensive income and profit or loss is restated and disclosed as part of the Statement of Comprehensive Income and Profit and Loss Account respectively. The Balance Sheet also presents the prior year numbers as restated, due to the said change.

**28. Date of authorisation for issue of financial statements**

These condensed interim financial statements were authorised for issue by the Board of Directors in its meeting held on 27 October 2018.

MAHMOOD LOTIA  
Director

SAAD ALI BHIMJEE  
Director

ALTAF GOKAL  
Chief Financial Officer &  
Corporate Secretary

HASANALI ABDULLAH  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman








Karachi 27 October 2018









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