



Century Insurance
A Lakson Group Company

Your Trust, Our Assurance

Quarterly Report March 2015 (Un-audited)



Century Insurance at a Glance

- Century Insurance is a Lakson Group Company.
- Operating since 1989, dealing in all areas of general insurance business.
- One of the premier general insurance companies of Pakistan.
- Rated “A+” with a stable outlook by JCR - VIS, signifying a ‘high capacity to meet policyholders’ and contractual obligations’.
- Total equity in excess of Rs. 1.1 billion.
- Very strong reinsurance treaty arrangements with highly rated international reinsurers.
- Broad client base consisting of individuals as well as some of the most prestigious local and multinational companies.



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Our Vision

To be an organization known for integrity and ethical behavior and fully dedicated to our Clients, Business Partners, Shareholders and Employees, providing exceptional quality service and committed to achieving excellence in all areas of our operations.

Our motto: "Customer satisfaction is management's top priority"

Our Mission

- To become a company of choice for our valued Clients, Stockholders and Employees.
- To maximize growth and profitability of the Company and provide excellent financial returns to our valued Shareholders.
- The Company culture to be known for Integrity and Ethical behavior.
- The Company to be known as one of the best insurance companies of the country.

Corporate Information

Board of Directors

Mr. Iqbal Ali Lakhani - Chairman
Mr. Zulfiqar Ali Lakhani
Mr. Amin Mohammed Lakhani
Mr. Tasleemuddin Ahmed Batlay
Mr. A. Aziz H. Ebrahim
Mr. Mohammad Hussain Hirji - Chief Executive
Mr. Sadrudin Ismail Mohamed
(effective from January 23, 2015)

Advisor

Mr. Sultan Ali Lakhani

Chief Financial Officer

Mr. Sabza Ali Pirani

Company Secretary

Mr. Mansoor Ahmed

Audit Committee

Mr. Sadrudin Ismail Mohamed - Chairman
Mr. Zulfiqar Ali Lakhani
Mr. Amin Mohammed Lakhani
Mr. Tasleemuddin Ahmed Batlay

Underwriting Committee

Mr. Tasleemuddin Ahmed Batlay - Chairman
Mr. Mohammad Hussain Hirji
Mr. Afzal-ur-Rahman

Claim Settlement Committee

Mr. Amin Mohammed Lakhani - Chairman
Mr. Mohammad Hussain Hirji
Mr. Afzal-ur-Rahman

Reinsurance & Co-Insurance Committee

Mr. Zulfiqar Ali Lakhani - Chairman
Mr. Mohammad Hussain Hirji
Mr. Afzal-ur-Rahman
Ms. Madiha Khalid

Human Resource & Remuneration Committee

Mr. Amin Mohammed Lakhani - Chairman
Mr. Tasleemuddin Ahmed Batlay
Mr. Mohammad Hussain Hirji

External Auditors

M/s. Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Shares Registrar

M/s. FAMCO Associates (Pvt) Ltd.
8-F, Next to Hotel Faran, Nursery,
Block-6, P.E.C.H.S., Shahra-e-Faisal,
Karachi.
Tel: (021) 34380101-2
Fax: (021) 34380106
Email: info.shares@famco.com.pk
Website: www.famco.com.pk

Bankers

Habib Bank Limited
Habib Metropolitan Bank Limited
NIB Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

Registered & Corporate Office

Lakson Square, Building No. 2, Sarwar Shaheed
Road, Karachi-74200.

Head Office

1st Floor, Lakson Square, Building No. 3,
Sarwar Shaheed Road, Karachi-74200.

Website: www.cicl.com.pk

UAN: 111-111-717

NTN: 0710008-6

Directors' Review

On behalf of the Board of Directors, I am pleased to present to you the un-audited financial statements for the first quarter ended 31 March 2015.

General Review

The overall operational performance of the Company has improved in the first quarter of 2015 as compared to the same period in 2014. Gross written premium is up by Rs. 46 million (29%) and net premium is also up by Rs. 15 million (16%). Underwriting profit has increased by Rs. 6 million (27%). Investment & other income lower by Rs. 16 million (57%) resulting in an earnings per share of Re. 0.24.

Operating Results

The comparative financial highlights for the first quarter ended 31 March 2015 and 2014 are presented below:-

Rupees in millions (except for EPS)	31 March 2015	31 March 2014	Increase / (Decrease)	
			Amount	%
Gross written premium	205	159	46	29
Net premium	109	94	15	16
Underwriting profit	28	22	6	27
Investment & other income	12	28	(16)	(57)
Profit before tax	13	27	(14)	(52)
Profit after tax	11	26	(15)	(58)
Total assets	2,000	1,742	258	15
Paid-up capital	457	457	-	-
Total equity	1,196	1,138	58	5
Earnings per share (EPS) Re.	0.24	0.58	(0.34)	(59)

As compared to 1QFY14, the gross written premium from Marine class of business has increased by Rs. 2.2 million, Motor by Rs. 0.1 million, Health by Rs. 44 million and Miscellaneous by Rs. 1 million. However, the gross written premium from Fire class of business has marginally decreased by Rs. 1 million.

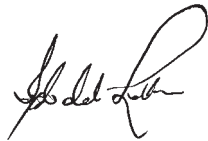
Future Outlook

The management is making concerted efforts to increase market share and profitability and the business of the Company is expected to continue to grow at a steady pace. We shall continue to strive to identify new and innovative products, expand the branch network to serve clients in new cities and recruit, train and motivate sales staff so as to maintain the momentum of profitable

growth. We are hopeful that this will result in improved sustainability and enhanced shareholders' equity in the future.

Acknowledgments

On behalf of all the Directors, I would like to thank our shareholders who continue to place their trust and confidence in the Company and assure them of our best efforts to ensure optimum utilization of their investment in the Company. I also wish to place on record our appreciation of the devotion, loyalty and hard work of the management and members of the staff that have contributed towards the growth of the Company and success of its operations.



Iqbal Ali Lakhani
Chairman

Karachi: 24 April 2015

Condensed Interim Balance Sheet

As at March 31, 2015

		(Un-audited) March 31, 2015	(Audited) December 31, 2014
Note		(Rupees)	
Share capital and reserves			
	Authorised share capital [50,000,000 (December 31, 2014: 50,000,000) Ordinary shares of Rs.10 each]	500,000,000	500,000,000
	Paid-up share capital	457,243,660	457,243,660
	Retained earnings	366,046,780	355,042,959
	Reserves	373,024,260	373,024,260
		1,196,314,700	1,185,310,879
Underwriting provisions			
	Provision for outstanding claims (including IBNR)	227,654,707	123,619,908
	Provision for unearned premium	248,957,838	246,257,537
	Commission income unearned	29,420,956	35,324,607
	Total underwriting provisions	506,033,501	405,202,052
Creditors and accruals			
	Premiums received in advance	1,114,857	1,256,977
	Amount due to other insurers / reinsurers	196,985,094	191,926,887
	Accrued expenses	6,126,374	5,270,472
	Other creditors and accruals	91,945,386	85,981,352
		296,171,711	284,435,688
Other liabilities			
	Unclaimed dividend	1,770,983	1,773,806
	TOTAL LIABILITIES	803,976,195	691,411,546
	TOTAL EQUITY AND LIABILITIES	2,000,290,895	1,876,722,425
	CONTINGENCIES AND COMMITMENTS	8	


		(Un-audited) March 31, 2015	(Audited) December 31, 2014
Note		-----	(Rupees) -----
Cash and bank deposits			
		533,812	648,699
		83,341,016	244,556,217
		83,874,828	245,204,916
Investments			
9		1,251,909,121	1,095,863,861
Deferred taxation			
		4,282,769	4,122,216
Current assets - others			
		156,173,064	135,850,416
		73,260,523	62,568,278
		65,115,859	46,135,307
		4,470,000	4,700,000
		1,893,009	2,675,206
		159,850,763	60,855,662
		2,545,712	3,711,517
		24,196,820	23,781,744
		113,582,891	135,266,602
10		11,165,458	7,607,368
		612,254,099	483,152,100
Fixed assets - Tangible and intangible			
11		5,159,014	5,288,771
		5,701,384	5,358,797
		3,017,483	3,164,080
		1,196,805	918,392
		32,145,381	32,899,276
		750,000	750,000
		11	16
		47,970,078	48,379,332
TOTAL ASSETS		2,000,290,895	1,876,722,425

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Condensed Interim Profit and Loss Account (Un-audited)

For the three months period ended March 31, 2015

	Fire and property	Marine aviation and transport	Motor	Health	Miscellaneous	March 31, 2015 Aggregate	March 31, 2014 Aggregate
Revenue account	------(Rupees)-----						
Net premium revenue	4,128,498	20,922,422	37,082,165	41,486,669	5,362,731	108,982,485	94,343,559
Net claims	(10,921,364)	(401,973)	(14,583,574)	(27,408,529)	(7,025,614)	(60,341,054)	(51,822,815)
Management expenses	(5,374,346)	(4,536,386)	(6,811,749)	(6,407,902)	(2,300,740)	(25,431,123)	(22,267,463)
Net commission	8,291,891	370,584	(3,246,555)	(738,447)	347,164	5,024,637	2,078,072
Underwriting result	(3,875,321)	16,354,647	12,440,287	6,931,791	(3,616,459)	28,234,945	22,331,353
Net investment income						10,533,253	26,116,565
Return on bank accounts						2,038,324	1,049,572
Other income - net						153,398	288,755
General and administration expenses						(27,162,127)	(24,001,269)
Share of (loss) / profit of associates - net						(518,979)	734,993
Profit before tax						13,278,814	26,519,969
Taxation - Net						(2,359,980)	(146,240)
Profit after tax						10,918,834	26,373,729
Profit and loss appropriation account							
Balance at commencement of the year						355,042,959	281,338,081
Profit after tax for the period						10,918,834	26,373,729
Other comprehensive income - share in associates' reserves						84,987	87,467
Balance of unappropriated profit at end of the period						366,046,780	307,799,277
Earnings per share of Rs.10 each - basic and diluted			(Note-13)			0.24	0.58

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



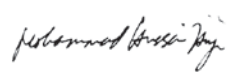
Iqbal Ali Lakhani
Chairman



Tasleemuddin Ahmed Batlay
Director



A. Aziz H. Ebrahim
Director



Mohammad Hussain Hirji
Director & Chief Executive

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the three months period ended March 31, 2015

	March 31, 2015	March 31, 2014
	----- (Rupees) -----	
Profit after tax for the period	10,918,834	26,373,729
Other comprehensive income		
- Share in associates' reserve	84,987	87,467
Total comprehensive income for the period	<u>11,003,821</u>	<u>26,461,196</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Condensed Interim Statement of Changes in Equity (Un-audited)

For the three months period ended March 31, 2015

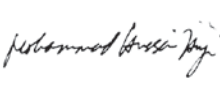
	Share capital	Capital reserves	Reserves		Total	
	Issued, subscribed and paid-up	Share premium	General reserve	Retained earnings	Total reserves	
			(Rupees)			
Balance as at January 01, 2014	457,243,660	254,024,260	119,000,000	281,338,081	654,362,341	1,111,606,001
Changes in equity for the three months period ended March 31, 2014						
Profit after tax	-	-	-	26,373,729	26,373,729	26,373,729
Other comprehensive income	-	-	-	87,467	87,467	87,467
Total comprehensive income	-	-	-	26,461,196	26,461,196	26,461,196
Balance as at March 31, 2014	457,243,660	254,024,260	119,000,000	307,799,277	680,823,537	1,138,067,197
Balance as at January 01, 2015	457,243,660	254,024,260	119,000,000	355,042,959	728,067,219	1,185,310,879
Changes in equity for the three months period ended March 31, 2015						
Profit after tax	-	-	-	10,918,834	10,918,834	10,918,834
Other comprehensive income	-	-	-	84,987	84,987	84,987
Total comprehensive income	-	-	-	11,003,821	11,003,821	11,003,821
Balance as at March 31, 2015	457,243,660	254,024,260	119,000,000	366,046,780	739,071,040	1,196,314,700

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Condensed Interim Statement of Cash Flows (Un-audited)

For the three months period ended March 31, 2015

	March 31, 2015	March 31, 2014
	----- (Rupees) -----	
Operating cash flows		
(a) Underwriting activities		
Premiums received	177,058,894	165,347,929
Reinsurance premiums paid	(51,128,841)	(55,321,608)
Claims paid	(84,418,025)	(73,502,669)
Reinsurance and other recoveries received	7,101,357	17,018,440
Commissions paid	(23,696,782)	(9,256,135)
Commissions received	11,011,575	13,538,659
Net cash inflow from underwriting activities	35,928,178	57,824,616
(b) Other operating activities		
Income tax paid	(1,354,728)	(626,560)
General management expenses paid	(49,499,125)	(53,930,379)
Other operating receipts	800,833	388,721
Net cash outflow from other operating activities	(50,053,020)	(54,168,218)
Total cash (outflow) / inflow from all operating activities	(14,124,842)	3,656,398
Investment activities		
Profit / return received	5,250,881	4,171,476
Dividends received	299,863	125,000
Payments for investments	(395,214,869)	(336,138,877)
Proceeds from disposal of investments	244,069,458	278,034,757
Fixed capital expenditure	(1,845,640)	(5,910,805)
Proceeds from disposal of fixed assets	168,500	1,899,148
Total cash outflow from investing activities	(147,271,807)	(57,819,301)
Financing activities - dividends paid	(6,250)	(9,282)
Net cash outflow from all activities	(161,402,899)	(54,172,185)
Cash at beginning of the period	244,577,727	104,577,727
Cash at end of the period	83,174,828	50,405,542

Condensed Interim Statement of Cash Flows (Un-audited)

For the three months period ended March 31, 2015

	March 31, 2015	March 31, 2014
	----- (Rupees) -----	
Reconciliation to profit and loss account		
Operating cash flows	(14,124,842)	3,656,398
Depreciation / amortisation expense	(2,238,223)	(2,112,651)
Profit on disposal of fixed assets	151,829	266,054
Profit on disposal of investments	23,618,844	30,300,344
Dividend income	1,054,652	-
Investment and other income	(12,216,182)	3,342,065
Increase / (decrease) in assets other than cash	127,240,228	(32,842,059)
(Increase) / decrease in liabilities other than running finance	(112,567,472)	23,763,578
Profit after taxation	10,918,834	26,373,729

Definition of cash

Cash comprises of cash in hand, policy stamps, bond papers, cheques in hand, bank balances and other deposits which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

Cash for the purposes of the Statement of Cash Flows consists of:

Cash and other equivalents

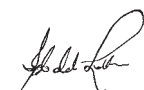
- Cash	224,154	180,220
- Policy stamps and bond papers in hand	309,658	745,552
	<u>533,812</u>	<u>925,772</u>

Current and other accounts

- Current accounts *	1,827,640	1,728,159
- Savings accounts	80,813,376	47,751,611
	<u>82,641,016</u>	<u>49,479,770</u>
	<u>83,174,828</u>	<u>50,405,542</u>

* This does not include local currency account with a lien amounting to Rs.0.7 million (March 31, 2014: Rs.0.7 million), with a commercial bank for letters of credit arranged through the bank for securing claims arising outside Pakistan.

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



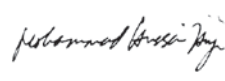
Iqbal Ali Lakhani
Chairman



Tasleemuddin Ahmed Batlay
Director



A. Aziz H. Ebrahimi
Director



Mohammad Hussain Hirji
Director & Chief Executive

Condensed Interim Statement of Premiums (Un-audited)

For the three months period ended March 31, 2015

Business underwritten inside Pakistan


Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium		Reinsurance expenses	Net premium revenue	
		Opening	Closing			Opening	Closing		March 31, 2015	March 31, 2014
(Rupees)										
Direct and facultative										
1. Fire and property damage	43,357,320	106,041,546	79,707,428	69,691,438	40,018,434	103,845,601	78,301,095	65,562,940	4,128,498	3,959,650
2. Marine, aviation and transport	36,597,107	11,175,839	12,300,448	35,472,498	14,701,430	6,320,233	6,471,587	14,550,076	20,922,422	22,990,943
3. Motor	54,953,507	56,289,450	71,602,972	39,639,985	1,936,961	5,217,110	4,596,251	2,557,820	37,082,165	39,068,284
4. Health	51,695,488	51,817,149	62,025,968	41,486,669	-	-	-	-	41,486,669	20,862,688
5. Miscellaneous	18,561,129	20,933,553	23,321,022	16,173,660	14,611,976	16,916,776	20,717,823	10,810,929	5,362,731	7,461,994
Grand total	205,164,551	246,257,537	248,957,838	202,464,250	71,268,801	132,299,720	110,086,756	93,481,765	108,982,485	94,343,559

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Condensed Interim Statement of Claims (Un-audited)

For the three months period ended March 31, 2015

Business underwritten inside Pakistan

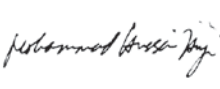
Class	Claims paid	Outstanding claims		Claims expenses	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense		
		Opening	Closing			Opening	Closing		March 31, 2015	March 31, 2014	
		(Rupees)									
Direct and facultative											
1. Fire and property damage	18,769,147	16,195,137	124,848,619	127,422,629	15,332,591	13,345,673	114,514,347	116,501,265	10,921,364	2,721,298	
2. Marine, aviation and transport	8,654,124	22,020,162	16,430,386	3,064,348	6,533,786	13,081,231	9,209,820	2,662,375	401,973	4,408,160	
3. Motor	19,045,137	29,245,972	26,466,558	16,265,723	1,809,649	360,225	232,725	1,682,149	14,583,574	24,869,309	
4. Health	27,576,305	7,799,231	7,631,455	27,408,529	-	-	-	-	27,408,529	17,362,599	
5. Miscellaneous	10,373,312	48,359,406	52,277,689	14,291,595	5,440,643	34,068,533	35,893,871	7,265,981	7,025,614	2,461,449	
Grand total	84,418,025	123,619,908	227,654,707	188,452,824	29,116,669	60,855,662	159,850,763	128,111,770	60,341,054	51,822,815	

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Condensed Interim Statement of Expenses (Un-audited)

For the three months period ended March 31, 2015

Business underwritten inside Pakistan

Class	Commission paid or payable a	Deferred commission		Net commission expenses d=a+b-c	Other management expenses e (Rupees)	Underwriting expenses f=d+e	Commission from reinsurers* g	Net underwriting expense	
		Opening b	Closing c					March 31, 2015 h=f-g	March 31, 2014
Direct and facultative									
1. Fire and property damage	6,369,421	13,860,109	10,994,148	9,235,382	5,374,346	14,609,728	17,527,273	(2,917,545)	(579,720)
2. Marine, aviation and transport	5,347,677	1,671,353	1,842,427	5,176,603	4,536,386	9,712,989	5,547,187	4,165,802	6,276,521
3. Motor	5,155,199	4,733,478	6,562,164	3,326,513	6,811,749	10,138,262	79,958	10,058,304	10,732,052
4. Health	1,880,234	945,368	2,087,155	738,447	6,407,902	7,146,349	-	7,146,349	1,520,448
5. Miscellaneous	2,262,348	2,571,436	2,710,926	2,122,858	2,300,740	4,423,598	2,470,022	1,953,576	2,240,090
Grand total	21,014,879	23,781,744	24,196,820	20,599,803	25,431,123	46,030,926	25,624,440	20,406,486	20,189,391


* Commission from reinsurers is arrived at after taking the impact of opening and closing unearned commission.

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Condensed Interim Statement of Investment Income (Un-audited)

For the three months period ended March 31, 2015

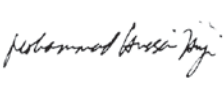
	March 31, 2015	March 31, 2014
	----- (Rupees) -----	
Income from trading investments		
Gain on sale of trading investments - net	4,707,832	12,208,310
Dividend income	1,054,652	-
Unrealised loss on re-measurement of securities to fair value	(16,055,139)	-
	<u>(10,292,655)</u>	<u>12,208,310</u>
Income from non-trading investments		
Held to maturity - Return on government securities	2,159,964	1,534,799
Gain on sale of non-trading investments - net	18,911,012	18,092,034
Reversal for impairment in investment classified as held to maturity	6,250	-
Investments related expenses	(251,318)	(5,718,578)
Net investment income	<u>10,533,253</u>	<u>26,116,565</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three months period ended March 31, 2015

1. STATUS AND NATURE OF BUSINESS

Century Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on October 10, 1985 under the Companies Ordinance, 1984. The Company is listed on the Karachi and Lahore Stock Exchanges. The Company is engaged in general insurance business. The registered office of the Company is situated at Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Company for the three months period ended March 31, 2015 are un-audited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on a format prescribed by the Securities and Exchange Commission of Pakistan in its Circular No. 7 of 2003 and International Accounting Standard 34, Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and these condensed interim financial statements should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2014.

3. BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under historical cost convention.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these condensed interim financial statements, the estimates / judgements and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual financial statements as at and for the year ended December 31, 2014.

5. SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended December 31, 2014. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2014.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three months period ended March 31, 2015

	(Un-audited) March 31, 2015	(Audited) December 31, 2014
	-----	-----
	(Rupees)	(Rupees)
6. AMOUNT DUE TO OTHER INSURERS / REINSURERS		
Foreign reinsurers	50,605,726	51,280,044
Local reinsurers	138,692,918	116,450,787
Co-insurers	7,686,450	24,196,056
	<u>196,985,094</u>	<u>191,926,887</u>
7. OTHER CREDITORS AND ACCRUALS		
Creditors	2,038,165	2,128,564
Federal excise duty	7,172,259	5,190,039
Federal insurance fees	565,532	424,726
Retention money	88,777	51,277
Commission payable	60,478,647	57,179,105
Workers' welfare fund	9,012,501	9,012,501
Margin deposits	2,679,826	2,639,920
Payable to gratuity fund	3,093,008	2,484,248
Withholding tax payable	116,403	319,884
Deposits from employees against car scheme	4,185,155	4,035,975
Others	2,515,113	2,515,113
	<u>91,945,386</u>	<u>85,981,352</u>
8. CONTINGENCIES		
There are no contingencies as at March 31, 2015		
COMMITMENTS		
Capital work-in-progress		
Software development	750,000	750,000
	<u>750,000</u>	<u>750,000</u>

For the three months period ended March 31, 2015

* The market value of investments as at March 31, 2015 was Rs.1,631.507 million (December 31, 2014: Rs.1,696.420 million).

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Notes to the Condensed Interim Financial Statements (Un-audited)

For the three months period ended March 31, 2015

(Un-audited)
March 31,
2015

(Audited)
December 31,
2014

.....(Rupees).....

9.2 Available-for-sale - quoted mutual funds

Number of units		Face value per unit (Rupees)	Name of entity Open-end mutual funds		
2015	2014				
612,768	612,768	100	Lakson Income Fund	53,684,046	53,684,046
595,090	595,090	100	Lakson Money Market Fund	53,397,799	53,397,799
			Lakson Asset Allocation		
11,875	11,875	100	Emerging Market Fund	1,201,778	1,201,778
			Lakson Asset Allocation		
511,002	511,002	100	Developed Market Fund	50,247,370	50,247,370
4,742,555	4,659,530	100	Lakson Equity Fund	502,099,955	481,674,468
				<u>660,630,948</u>	<u>640,205,461</u>

9.3 Term finance certificate

Cost	311,265	317,515
Less : Provision for impairment	<u>(311,265)</u>	<u>(317,515)</u>
	-	-

10. SUNDRY RECEIVABLES

Profit on bank deposits - saving accounts	741,549	742,708
Security deposits	5,508,569	4,478,569
Advance to employees	1,771,325	2,104,404
Advance against expenses	257,500	74,000
Receivable against sale of shares	2,661,130	-
Others	225,385	207,687
	<u>11,165,458</u>	<u>7,607,368</u>

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three months period ended March 31, 2015

(Un-audited) March 31, 2015	(Audited) December 31, 2014
.....(Rupees).....	

11. FIXED ASSETS - TANGIBLE AND INTANGIBLE

Opening written down value	48,379,332	47,095,355
Add: Additions during the period / year - at cost		
- Office improvement	129,500	1,574,800
- Furniture and fixtures	572,500	2,179,840
- Office equipment	155,120	807,794
- Computer equipment and related accessories	464,320	547,733
- Motor vehicles	524,200	10,381,500
	1,845,640	15,491,667
Less: Written down value of deletions	16,671	4,400,097
Depreciation / amortisation for the period / year	2,238,223	8,701,688
	2,254,894	13,101,785
Less: Capital work-in-progress - Opening	750,000	1,855,905
Add: Capital work-in-progress - Closing	750,000	750,000
Closing written down value	47,970,078	48,379,332

12. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of associated companies, companies under common control, companies with common directors, major shareholders, employees' retirement benefit plans, directors and key management personnel. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes and actuarial advice.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three months period ended March 31, 2015

Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

(Un-audited).....	
	March 31, 2015	March 31, 2014
(Rupees).....	
Premium written	<u>60,057,476</u>	<u>47,469,738</u>
Commission expense	<u>6,935,134</u>	<u>5,734,131</u>
Claims paid	<u>18,994,817</u>	<u>9,218,674</u>
Expenses	<u>3,987,823</u>	<u>9,016,778</u>
Contribution to / provision for staff benefit plans	<u>1,677,505</u>	<u>1,465,634</u>
Remuneration to key management personnel	<u>24,040,045</u>	<u>16,940,004</u>

13. EARNINGS PER SHARE - BASIC AND DILUTED

Profit after tax for the period	<u>10,918,834</u>	<u>26,373,729</u>
(Number).....	
Weighted average number of ordinary shares	<u>45,724,366</u>	<u>45,724,366</u>
(Rupees).....	
Earnings per share - basic and diluted	<u>0.24</u>	<u>0.58</u>

13.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three months period ended March 31, 2015

14. OPERATING SEGMENTS

Class of business wise revenue and results have been disclosed in the condensed interim statement of premiums and condensed interim profit and loss account respectively, prepared in accordance with the requirements of Insurance Ordinance, 2000 and the SEC (Insurance Rules, 2002). The following table presents information regarding segment assets and liabilities as at March 31, 2015 and December 31, 2014:

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	Un-audited March 31, 2015	Audited December 31, 2014
(Rupees in '000)												
Segment assets	203,810	131,051	17,524	21,073	11,391	10,311	2,087	945	59,323	53,557	294,134	216,937
Unallocated corporate assets											1,706,157	1,659,785
Consolidated corporate assets											2,000,291	1,876,722
Segment liabilities	226,310	150,489	31,217	35,562	98,233	85,733	69,657	59,616	80,616	73,802	506,033	405,202
Unallocated corporate liabilities											297,943	286,210
Consolidated corporate liabilities											803,976	691,412

15. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue in accordance with a resolution of the Board of Directors on April 24, 2015.


16. GENERAL

Figures in these condensed interim financial statements have been rounded off to the nearest rupee, unless otherwise stated.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Network

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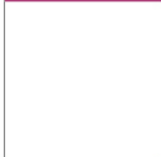
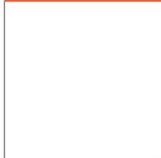
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