

**Asia Insurance Company Limited**  
**Condensed Interim Balance Sheet (Un-audited)**  
**As at June 30, 2014**

	Note	June 30, 2014 (Un-audited)	December 31, 2013 (Audited)
(Rupees)			
<b>Share capital and reserves</b>			
Authorised share capital	5	<u>300,000,000</u>	<u>300,000,000</u>
Paid-up share capital		300,000,000	300,000,000
Retained earnings		86,060,275	69,804,358
Reserves		2,500,000	2,500,000
		<u>388,560,275</u>	<u>372,304,358</u>
<b>Surplus on revaluation of fixed assets</b>		<b>136,060,170</b>	<b>136,060,170</b>
<b>Underwriting provisions</b>			
Provision for outstanding claims (including IBNR)		41,418,590	41,101,656
Provision for unearned premium		129,313,220	83,404,343
Commission income unearned		4,036,453	4,479,013
Total underwriting provisions		<u>174,768,263</u>	<u>128,985,012</u>
<b>Creditors and accruals</b>			
Premiums received in advance		1,547,684	1,383,355
Amount due to other insurers/ reinsurers		2,894,527	3,354,766
Accrued expenses		310,000	490,000
Taxation - provision less payments		2,672,643	-
Other creditors and accruals		32,753,694	24,048,885
		<u>40,178,548</u>	<u>29,277,006</u>
<b>Borrowings</b>			
Other loans		4,382,154	-
<b>Other Liabilities</b>			
Unclaimed Dividend		59,962	59,962
<b>TOTAL LIABILITIES</b>		<u>219,388,928</u>	<u>158,321,980</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>744,009,373</u>	<u>666,686,508</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	<b>6</b>		

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

**Chief Executive Officer**

**Chairman**

**Asia Insurance Company Limited**  
**Condensed Interim Balance Sheet (Un-audited)**  
**As at June 30, 2014**

	Note	June 30, 2014 (Un-audited)	December 31, 2013 (Audited)
(Rupees)			
<b>Cash and bank deposits</b>			
Cash and other equivalent		66,046	486,765
Current and other accounts		12,523,249	28,674,994
Deposits maturing within 12 months		-	20,000,000
		<b>12,589,295</b>	49,161,759
Investments	7	222,982,127	217,249,110
Deferred taxation		2,726,887	2,497,209
<b>Current assets - others</b>			
Premiums due but unpaid		29,330,914	14,557,722
Amount due from other insurers/reinsurers		134,602,235	66,061,072
Accrued investment income		1,550,455	1,569,672
Reinsurance recoveries against outstanding claims		13,666,895	20,614,787
Taxation - payment less provision		-	1,947,340
Deferred commission expense		24,185,472	14,918,278
Prepayments			
- Prepaid reinsurance premium ceded		17,939,792	19,166,762
- Others		156,000	156,000
Sundry receivables		26,910,740	14,300,592
		<b>248,342,504</b>	153,292,225
<b>Fixed assets</b>			
<b>Tangible</b>			
Land - freehold	8	160,000,000	160,000,000
Building		323,137	340,144
Furniture and fixtures		1,013,378	893,353
Office equipment		3,103,200	3,058,414
Motor vehicles		29,222,367	26,773,624
Computer equipment		1,540,174	1,625,035
		<b>195,202,256</b>	192,690,570
Capital Work in Progress - Building		62,166,304	51,795,635
<b>TOTAL ASSETS</b>		<b>744,009,373</b>	<b>666,686,508</b>

**Director**

**Director**

Asia Insurance Company Limited  
Condensed Interim Profit and Loss Account (Un-audited)  
For the quarter and half year ended June 30, 2014

Quarter ended June 30, 2014							
Note	Fire and property damage	Marine, Aviation and Transport	Motor	Credit & Suretyship	Miscellaneous	2014 Aggregate	2013 Aggregate
				(Rupees)			
<b>Revenue account</b>							
Net premium revenue	11,661,732	4,264,873	16,109,581	7,426,666	4,418,370	43,881,223	12,321,950
Net claims	(1,103,776)	(79,145)	(9,198,183)	-	564,333	(9,816,771)	(5,096,224)
Expenses	(2,700,482)	(826,759)	(5,289,923)	(891,667)	(1,511,361)	(11,220,192)	(8,386,763)
Net commission	(2,268,529)	(1,182,093)	(751,489)	(1,486,946)	67,854	(5,621,203)	(2,214,035)
	(4,969,011)	(2,008,852)	(6,041,412)	(2,378,613)	(1,443,507)	(16,841,395)	(10,600,798)
<b>Underwriting result</b>	<b>5,588,945</b>	<b>2,176,876</b>	<b>869,986</b>	<b>5,048,053</b>	<b>3,539,196</b>	<b>17,223,057</b>	<b>(3,375,072)</b>
Investment income						6,456,900	13,528,193
Other income						307,541	41,996
General and administration expenses						(5,781,130)	(5,612,989)
<b>Profit before tax</b>						<b>18,206,367</b>	<b>4,582,128</b>
<b>Less: Provision for taxation</b>							
Current						(4,101,631)	(795,911)
Deferred						58,487	(432,701)
						(4,043,144)	(1,228,612)
<b>Profit after tax</b>						<b>14,163,223</b>	<b>3,353,516</b>
<b>Basic and diluted earning per share</b>						<b>0.47</b>	<b>0.11</b>
Half year ended June 30, 2014							
Note	Fire and Property damage	Marine, Aviation and Transport	Motor	Credit & Suretyship	Miscellaneous	2014 Aggregate	2013 Aggregate
				Rupees			
<b>Revenue account</b>							
Net premium revenue	18,859,837	8,840,021	31,370,962	13,425,485	6,383,038	78,879,344	22,061,005
Net claims	(698,731)	(1,760,120)	(16,360,759)	(7,146,702)	(942,706)	(26,909,018)	(10,594,474)
Expenses	(6,509,336)	(1,997,576)	(8,428,437)	(2,465,280)	(2,456,953)	(21,857,582)	(12,819,898)
Net commission	(3,716,929)	(2,271,676)	(1,449,634)	(1,740,728)	811,095	(8,367,872)	(2,266,945)
	(10,226,265)	(4,269,252)	(9,878,071)	(4,206,008)	(1,645,858)	(30,225,454)	(15,086,843)
<b>Underwriting result</b>	<b>7,934,841</b>	<b>2,810,649</b>	<b>5,132,132</b>	<b>2,072,775</b>	<b>3,794,474</b>	<b>21,744,872</b>	<b>(3,620,312)</b>
Investment income						11,564,957	20,394,223
Other income						310,375	57,060
General and administration expenses						(12,500,402)	(10,656,539)
<b>Profit before tax</b>						<b>21,119,801</b>	<b>6,174,432</b>
<b>Less: Provision for taxation</b>							
Current						(5,093,562)	(948,954)
Deferred						229,678	730,403
						(4,863,884)	(218,551)
<b>Profit after tax</b>						<b>16,255,917</b>	<b>5,955,881</b>
<b>Profit and loss appropriation account</b>							
Balance at commencement of the period						69,804,358	50,262,886
Profit after tax for the period						16,255,917	5,955,881
Balance unappropriated profit at the end of the period						<b>86,060,275</b>	<b>56,218,767</b>
<b>Basic and diluted earning per share</b>						<b>0.54</b>	<b>0.20</b>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chairman

Director

Director

**Asia Insurance Company Limited**  
**Condensed Interim Statement of Comprehensive Income (Un-audited)**  
**For the quarter and half year ended June 30, 2014**

	<u>Quarter ended</u>		<u>Half year ended</u>	
	<u>June 30,</u> <u>2014</u>	<u>June 30,</u> <u>2013</u>	<u>June 30,</u> <u>2014</u>	<u>June 30,</u> <u>2013</u>
	<u>(Rupees)</u>			
Profit for the period	14,163,223	3,353,516	16,255,917	5,955,881
<b>Other comprehensive income</b>	-	-	-	-
Total comprehensive profit for the period	<b>14,163,223</b>	<b>3,353,516</b>	<b>16,255,917</b>	<b>5,955,881</b>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

**Chief Executive Officer**

**Chairman**

**Director**

**Director**

**Asia Insurance Company Limited**  
**Condensed Interim Cash Flow Statement (Un-audited)**  
**For the half year ended June 30, 2014**

	<b>Half year ended</b>	
	<b>June 30, 2014</b>	<b>June 30, 2013</b>
<b>Operating cash flows</b>	<b>(Rupees)</b>	
<b>a) Underwriting activities</b>		
Premiums received	135,270,445	56,891,756
Reinsurance premiums paid	(92,865,517)	(20,788,882)
Claims paid	(29,653,367)	(11,745,307)
Reinsurance and other recoveries received	10,009,175	5,329,010
Commissions paid	(23,054,374)	(7,652,859)
Commission received	4,976,748	4,113,703
Other underwriting receipts/ (payments)	(13,380,202)	(6,959,876)
<b>Net cash flow from underwriting activities</b>	<b>(8,697,093)</b>	<b>19,187,545</b>
<b>b) Other operating activities</b>		
Income tax paid	(5,093,562)	(1,483,050)
General and management expenses paid	(16,339,002)	(21,307,768)
Other operating payments	(180,000)	(60,000)
Other operating receipts in respect of operating assets	-	57,060
Loans and advances paid	-	-
Net cash outflow from other operating activities	(21,612,564)	(22,793,758)
<b>Total cash flow from all operating activities</b>	<b>(30,309,657)</b>	<b>(3,606,213)</b>
<b>Investment activities</b>		
Profit/ return received	11,814,282	20,284,463
Dividend received	80,267	277,718
Payments for investments	(84,881,790)	(19,222,003)
Proceed from disposal of investment	79,148,773	
Fixed capital expenditure	(16,576,455)	(11,391,376)
<b>Total cash flow from investing activities</b>	<b>(10,414,923)</b>	<b>(10,051,198)</b>
<b>Financing activities</b>		
Financing obtained during the period	4,887,450	-
Financial charges paid	(230,037)	-
Repayment during the period	(505,296)	-
Total cashflow from financing activities	4,152,116	-
<b>Net cash inflow / (outflow) from all activities</b>	<b>(36,572,463)</b>	<b>(13,657,411)</b>
Cash and cash equivalents at beginning of the period	49,161,759	62,903,496
Cash and cash equivalents at end of the period	12,589,295	49,246,085

**Asia Insurance Company Limited**  
**Condensed Interim Cash Flow Statement (Un-audited)**  
**For the half year ended June 30, 2014**

	<b>Half year ended</b>	
	<b>June 30, 2014</b>	<b>June 30, 2013</b>
<b>Reconciliation to condensed interim profit and loss account</b>		
Operating cash flows	<b>(30,309,657)</b>	(3,606,213)
Finance Charges	<b>(230,037)</b>	-
Depreciation expense	<b>(3,694,100)</b>	(2,581,911)
Increase/(Decrease) in assets other than cash	<b>92,396,853</b>	20,705,521
(Increase)/ Decrease in liabilities other than running finance	<b>(54,012,151)</b>	(29,686,142)
Dividend	<b>80,267</b>	277,718
Interest, rental and other income	<b>11,795,065</b>	20,116,505
Deferred taxation	<b>229,678</b>	730,403
<b>Profit/ (loss) after taxation</b>	<b><u>16,255,917</u></b>	<b><u>5,955,881</u></b>

**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 purpose of statement of cash flows consists of :

**Cash and cash equivalents**

Cash and other equivalents	<b>66,046</b>	764,900
Current and saving accounts	<b>12,523,249</b>	23,481,185
Deposits maturing within 12 months	-	25,000,000
	<b><u>12,589,295</u></b>	<b><u>49,246,085</u></b>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

**Chief Executive Officer**

**Chairman**

**Director**

**Director**

**Asia Insurance Company Limited**  
**Condensed Interim Statement of Changes in Equity (Un-audited)**  
**For the quarter and half year ended June 30, 2014**

	Share Capital	Reserves	Retained Earnings	Total capital & reserves	revaluation of fixed assets	Total
	(Rupees)					
Balance at January 1, 2013	300,000,000	2,500,000	50,262,886	352,762,886	136,060,170	<b>488,823,056</b>
Net profit for the period	-	-	5,955,881	5,955,881	-	<b>5,955,881</b>
Balance at June 30, 2013	<b>300,000,000</b>	<b>2,500,000</b>	<b>56,218,767</b>	<b>358,718,767</b>	<b>136,060,170</b>	<b>494,778,937</b>
Balance at January 1, 2014	300,000,000	2,500,000	69,804,358	372,304,358	136,060,170	<b>508,364,528</b>
Net profit for the period	-	-	16,255,917	16,255,917	-	<b>16,255,917</b>
Balance at June 30, 2014	<b>300,000,000</b>	<b>2,500,000</b>	<b>86,060,275</b>	<b>388,560,275</b>	<b>136,060,170</b>	<b>524,620,445</b>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

**Chief Executive Officer**

**Chairman**

**Director**

**Director**

**Asia Insurance Company Limited**  
**Condensed Interim Statement of Premiums (Un-audited)**  
**For the quarter and half year ended June 30, 2014**

Business underwritten inside Pakistan

		Quarter ended June 30, 2014									
Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expenses	2014	2013	
		Opening	Closing			Opening	Closing		Net premium revenue	Net premium revenue	
		(R u p e e s)									
<b>Direct and facultative</b>	1 Fire and Property Damage	20,450,861	33,095,061	37,333,307	16,212,615	7,705,558	8,826,049	11,980,724	4,550,883	11,661,732	712,913
	2 Marine, Aviation and Transport	6,263,480	3,663,437	3,417,407	6,509,510	182,285	2,214,256	151,904	2,244,637	4,264,873	2,541,761
	3 Motor	37,866,606	33,486,973	53,806,498	17,547,081	1,437,500	-	-	1,437,500	16,109,581	5,446,899
	4 Credit and suretyship	6,913,020	21,860,052	19,163,791	9,609,281	-	4,364,999	2,182,384	2,182,616	7,426,666	-
	5 Miscellaneous	10,843,524	10,141,430	15,592,218	5,392,736	3,158,892	1,440,254	3,624,780	974,366	4,418,370	3,620,377
	<b>Total</b>	82,337,491	102,246,953	129,313,220	55,271,224	12,484,235	16,845,558	17,939,792	11,390,001	43,881,223	12,321,950
<b>Treaty</b>	Proportional / non -proportional	-	-	-	-	-	-	-	-	-	-
	<b>Grand Total</b>	82,337,491	102,246,953	129,313,220	55,271,224	12,484,235	16,845,558	17,939,792	11,390,001	43,881,223	12,321,950

		Half year ended June 30, 2014									
Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expenses	2014	2013	
		Opening	Closing			Opening	Closing		Net premium revenue	Net premium revenue	
		(R u p e e s)									
<b>Direct and facultative</b>	1 Fire and Property Damage	44,635,074	19,901,666	37,333,307	27,203,433	11,651,927	8,672,393	11,980,724	8,343,596	18,859,837	3,699,556
	2 Marine, Aviation and Transport	13,697,548	4,694,493	3,417,407	14,974,634	4,314,830	1,971,687	151,904	6,134,613	8,840,021	4,230,851
	3 Motor	57,794,514	30,257,946	53,806,498	34,245,962	2,875,000	-	-	2,875,000	31,370,962	7,503,733
	4 Credit and suretyship	16,904,635	20,659,727	19,163,791	18,400,571	-	7,157,470	2,182,384	4,975,087	13,425,485	-
	5 Miscellaneous	16,847,537	7,890,511	15,592,218	9,145,830	5,022,360	1,365,212	3,624,780	2,762,792	6,383,038	6,626,865
	<b>Total</b>	149,879,308	83,404,343	129,313,220	103,970,431	23,864,117	19,166,762	17,939,792	25,091,087	78,879,344	22,061,005
<b>Treaty</b>	Proportional / non -proportional	-	-	-	-	-	-	-	-	-	-
	<b>Grand Total</b>	149,879,308	83,404,343	129,313,220	103,970,431	23,864,117	19,166,762	17,939,792	25,091,087	78,879,344	22,061,005

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chairman

Director

Director



**Asia Insurance Company Limited**  
**Condensed Interim Statement of Claims (Un-audited)**  
**For the quarter and half year ended June 30, 2014**

Business underwritten inside Pakistan

		<b>Quarter ended June 30, 2014</b>									
Class	Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	2014 Net claims expense	2013 Net claims expense	
		Opening	Closing			Opening	Closing				
		<b>(Rupees)</b>									
<b>Direct and facultative</b>	1 Fire and Property Damage	5,537,790	7,624,895	6,228,010	4,140,905	4,189,114	5,203,385	4,051,400	3,037,129	1,103,776	3,442,108
	2 Marine, Aviation and Transport	114,021	9,462,853	6,215,252	(3,133,580)	117,659	7,606,086	4,275,702	(3,212,725)	79,145	938,215
	3 Motor	10,053,672	20,840,840	23,232,991	12,445,823	1,072,551	2,344,930	4,520,019	3,247,640	9,198,183	3,487,152
	4 Credit and suretyship	-	-	-	-	-	-	-	-	-	-
	5 Miscellaneous	185,216	6,492,066	5,742,337	(564,513)	-	819,954	819,774	(180)	(564,333)	(28,105)
	<b>Total</b>	<b>15,890,699</b>	<b>44,420,654</b>	<b>41,418,590</b>	<b>12,888,635</b>	<b>5,379,324</b>	<b>15,974,355</b>	<b>13,666,895</b>	<b>3,071,864</b>	<b>9,816,771</b>	<b>7,839,370</b>
<b>Treaty</b>	Proportional / non -proportional	-	-	-	-	-	-	-	-	-	-
	<b>Grand Total</b>	<b>15,890,699</b>	<b>44,420,654</b>	<b>41,418,590</b>	<b>12,888,635</b>	<b>5,379,324</b>	<b>15,974,355</b>	<b>13,666,895</b>	<b>3,071,864</b>	<b>9,816,771</b>	<b>7,839,370</b>
		<b>Half year ended June 30, 2014</b>									
Class	Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	2014 Net claims expense	2013 Net claims expense	
		Opening	Closing			Opening	Closing				
		<b>(Rupees)</b>									
<b>Direct and facultative</b>	1 Fire and Property Damage	5,575,210	6,058,546	6,228,010	5,744,674	4,915,083	3,920,540	4,051,400	5,045,943	698,731	2,365,239
	2 Marine, Aviation and Transport	4,525,038	9,340,165	6,215,252	1,400,125	2,867,477	7,503,174	4,275,702	(359,995)	1,760,120	1,523,470
	3 Motor	10,895,515	14,520,107	23,232,991	19,608,399	1,072,551	2,344,930	4,520,019	3,247,640	16,360,759	6,595,585
	4 Credit and suretyship	7,816,298	6,695,965	-	1,120,333	-	6,026,369	-	(6,026,369)	7,146,702	-
	5 Miscellaneous	841,306	4,486,873	5,742,337	2,096,770	1,154,064	819,774	819,774	1,154,064	942,706	110,180
	<b>Total</b>	<b>29,653,367</b>	<b>41,101,656</b>	<b>41,418,590</b>	<b>29,970,301</b>	<b>10,009,175</b>	<b>20,614,787</b>	<b>13,666,895</b>	<b>3,061,283</b>	<b>26,909,018</b>	<b>10,594,474</b>
<b>Treaty</b>	Proportional / non -proportional	-	-	-	-	-	-	-	-	-	-
	<b>Grand Total</b>	<b>29,653,367</b>	<b>41,101,656</b>	<b>41,418,590</b>	<b>29,970,301</b>	<b>10,009,175</b>	<b>20,614,787</b>	<b>13,666,895</b>	<b>3,061,283</b>	<b>26,909,018</b>	<b>10,594,474</b>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chairman

Director

Director

**Asia Insurance Company Limited**  
**Condensed Interim Statement of Expenses (Un-audited)**  
**For the quarter and half year ended June 30, 2014**

Business underwritten inside Pakistan

Class	Quarter ended June 30, 2014								
	Commission paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expenses	Commission from reinsurers	2014 Net underwriting expenses	2013 Net underwriting expenses
		Opening	Closing						
<b>Direct and facultative</b>					(R u p e e s)				
1. Fire and Property Damage	4,629,546	8,981,422	10,131,464	3,479,504	2,700,482	6,179,986	1,210,975	4,969,011	1,911,063
2. Marine, Aviation and Transport	1,629,503	915,855	854,348	1,691,010	826,759	2,517,769	508,918	2,008,852	1,159,207
3. Motor	3,799,418	5,023,046	8,070,975	751,489	5,289,923	6,041,412	-	6,041,412	5,775,022
4. Credit and suretyship	1,092,933	3,934,809	3,449,482	1,578,260	891,667	2,469,927	91,314	2,378,613	-
5. Miscellaneous	1,098,503	1,134,502	1,679,204	553,801	1,511,361	2,065,162	621,655	1,443,507	1,755,606
<b>Total</b>	<b>12,249,903</b>	<b>19,989,634</b>	<b>24,185,472</b>	<b>8,054,065</b>	<b>11,220,192</b>	<b>19,274,257</b>	<b>2,432,862</b>	<b>16,841,395</b>	<b>10,600,898</b>
Proportional / non -proportional	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>12,249,903</b>	<b>19,989,634</b>	<b>24,185,472</b>	<b>8,054,065</b>	<b>11,220,192</b>	<b>19,274,257</b>	<b>2,432,862</b>	<b>16,841,395</b>	<b>10,600,898</b>
Class	Half year ended June 30, 2014								
	Commission paid / payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expenses	Commission from reinsurers	2014 Net underwriting expenses	2013 Net underwriting expenses
		Opening	Closing						
<b>Direct and facultative</b>					(R u p e e s)				
1. Fire and Property Damage	10,624,355	5,379,100	10,131,464	5,871,991	6,509,336	12,381,327	2,155,062	10,226,265	3,706,532
2. Marine, Aviation and Transport	3,424,386	1,173,618	854,348	3,743,656	1,997,576	5,741,232	1,471,981	4,269,252	2,479,284
3. Motor	5,779,451	3,741,158	8,070,975	1,449,634	8,428,437	9,878,071	-	9,878,071	7,584,846
4. Credit and suretyship	1,541,430	3,740,094	3,449,482	1,832,042	2,465,280	4,297,322	91,314	4,206,008	-
5. Miscellaneous	1,684,752	884,308	1,679,204	889,856	2,456,953	3,346,809	1,700,951	1,645,858	1,316,181
<b>Total</b>	<b>23,054,374</b>	<b>14,918,278</b>	<b>24,185,472</b>	<b>13,787,180</b>	<b>21,857,582</b>	<b>35,644,762</b>	<b>5,419,308</b>	<b>30,225,454</b>	<b>15,086,843</b>
Proportional / non -proportional	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>23,054,374</b>	<b>14,918,278</b>	<b>24,185,472</b>	<b>13,787,180</b>	<b>21,857,582</b>	<b>35,644,762</b>	<b>5,419,308</b>	<b>30,225,454</b>	<b>15,086,843</b>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chairman

Director

Director

**Asia Insurance Company Limited**  
**Condensed Interim Statement of Investment Income (Un-audited)**  
**For the quarter and half year ended June 30, 2014**

	For the quarter ended		For the half year ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
------(Rupees)-----				
<b>Income from held for trading investments</b>				
Gain on sale of trading	891,024	4,338,955	5,356,858	5,403,207
Dividend income	767	-	41,767	-
	<u>891,791</u>	<u>4,338,955</u>	<u>5,398,625</u>	<u>5,403,207</u>
<b>Income from non-trading investments</b>				
<b>Held to maturity</b>				
Return on government securities	793,125	808,738	1,586,250	1,581,303
Return on other fixed income securities and deposits	69,871	920,758	482,621	2,210,440
Amortization of discount/ premium relative to par	53,480	53,480	53,480	53,480
<b>Available for sale</b>				
Dividend income	38,500	240,386	38,500	277,718
	<u>954,976</u>	<u>2,023,362</u>	<u>2,160,851</u>	<u>4,122,941</u>
<b>Gain / (loss) on sale of non-trading investments</b>	-	2,255,862	-	2,255,862
<b>Gain on revaluation of held of investment</b>				
Trading investment	4,417,746	5,896,549	4,082,386	9,885,414
<b>(Provision)/ reversal for impairment in value of investment</b>				
(Provision)/reversal for portfolio available for sale	215,011	(599,518)	215,011	(599,518)
<b>Investment related expenses</b>	(22,624)	(387,017)	(291,916)	(673,683)
	<u>6,456,900</u>	<u>13,528,193</u>	<u>11,564,957</u>	<u>20,394,223</u>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chairman

Director

Director

## **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

### **For the half year ended June 30, 2014 (Un-audited)**

#### **1 STATUS AND NATURE OF BUSINESS**

Asia Insurance Company Limited was incorporated in Pakistan as a Public Limited Company on December 6, 1979 and is engaged in General Insurance business since 1980. Its registered office is situated in 456-K Model Town, Lahore. Shares of the Company are quoted on Karachi and Lahore Stock Exchanges.

#### **2 STATEMENT OF COMPLIANCE**

These condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 and the directives issued by SECP. Wherever the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 or the requirements of the said directives take precedence.

##### **2.1 BASIS OF PREPARATION**

These unaudited condensed interim financial information have been prepared in accordance with the requirements of SRO-938 issued by SECP and the Insurance Ordinance, 2000. However limited scope review has been performed by the statutory auditors in accordance with the requirements of clause (XXI) of the Code of Corporate Governance, and are being circulated to the shareholders as required under section 245 of the Companies Ordinance, 1984.

##### **2.2 BASIS OF MEASUREMENT**

These financial statements have been prepared under the historical cost convention except that certain financial instruments are carried at fair value and staff retirement benefits are stated at present value.

##### **2.3 FUNCTIONAL AND PRESENTATION CURRENCY**

These financial informations have been presented in Pakistan rupee, which is also the Company's functional currency. All financial information presented in Pakistan rupees are rounded off to nearest rupees unless otherwise stated.

##### **2.4 SIGNIFICANT ESTIMATES AND JUDGEMENTS**

The preparation of the condensed interim financial statement requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management and the key sources of estimating uncertainty in preparation of these condensed interim financial statements were same as those applied to the annual financial statements for the year ended December 31, 2013.

#### **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of the condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2013.

#### **4 FINANCIAL RISK AND CAPITAL MANAGEMENT**

The Company's financial risk management and capital management objectives and policies are consistent with that disclosed in the annual financial statements for the year ended December 31, 2013.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**For the half year ended June 30, 2014 (Un-audited)**

	<b>June 30, 2014</b>	<b>December 31, 2013</b>		<b>June 30, 2014</b>	<b>December 31, 2013</b>
	<b>(Rupees)</b>				
<b>5 AUTHORIZED SHARE CAPITAL</b>					
	<b>June 30, 2014</b>	<b>Dec 31, 2013</b>			
	<b>(Number of Shares)</b>				
	<b>30,000,000</b>	30,000,000	Ordinary shares of Rs. 10/- each	<b>300,000,000</b>	300,000,000
<b>5.1 PAID-UP SHARE CAPITAL</b>					
			Issued, subscribed and paid up capital:		
	<b>June 30, 2014</b>	<b>Dec 31, 2013</b>			
	<b>(Number of Shares)</b>				
	<b>30,000,000</b>	30,000,000	Ordinary shares of Rs. 10/- each fully paid in cash	<b>300,000,000</b>	300,000,000
<b>6 CONTINGENCIES AND COMMITMENTS</b>					
			<b>Contingencies</b>		
			There has no change in the contingencies since December 31,2013.		
			<b>Commitments</b>		
			Guarantee issued by bank on behalf of the company as at June 30, 2014 is Nill (December 31, 2013 - Nill)		
<b>7 INVESTMENTS</b>					
			The investments comprise the following:		
			<b>Held to maturity</b>		
			Defence saving certificates (DSCs)	525,000	525,000
			Pakistan Investment Bonds	25,638,107	25,584,627
				<b>26,163,107</b>	26,109,627
			<b>Investment at fair value through profit and loss - Held for trading</b>		
			Investment in mutual funds - Fair value	152,529,993	156,395,989
			Investment in ordinary shares	42,276,721	32,946,200
				<b>194,806,714</b>	189,342,189
			<b>Available for sale</b>		
			Marketable securities	1,797,294	2,276,639
			Provision for appreciation/(diminution) in value of investments	215,011	(479,345)
				<b>2,012,305</b>	1,797,294
				<b>222,982,127</b>	217,249,110
<b>8 FIXED ASSETS - Tangible</b>					
			<b><i>Owned Assets</i></b>		
			Opening book value	192,690,570	182,473,986
			Addition during the year	6,205,786	16,291,066
				<b>198,896,356</b>	198,765,052
			Book Value of the asset disposed off during the period	-	-
			Depreciation charged during the period	(3,713,355)	(6,074,482)
			Closing book value	<b>195,183,001</b>	192,690,570

June 30,  
2014

June 30,  
2013

(Rupees)

**9 TRANSACTIONS WITH RELATED PARTIES**

Transaction with related parties are as follows

**Relation**

**Transaction**

**Key management personnel**

Chief Executive/ Directors	Commission paid	1,695,975	-
Chief Executive/ Directors	Remuneration paid	468,000	2,641,000

**Retirement benefit plan**

Asia Insurance Company - Provident Fund Trust	Contribution to provident fund	24,264	242,220
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**10 TAXATION**

Provision in respect of taxation, for the period under review, is estimated only and final liability will be determined on the basis of annual results.

**11 DATE OF AUTHORIZATION FOR ISSUE**

These interim condensed financial statements have been authorized for issue on **August 25, 2014** in accordance with a resolution of board of directors of the company.

**12 GENERAL**

Figures in the financial statement have been rounded off to the nearest rupee.

**13 CORRESPONDING FIGURES**

Corresponding figures have been reclassified and re-arranged, wherever necessary to confirm with the current classification. However, there are no material classification to report.

**Chief Executive Officer**

**Chairman**

**Director**

**Director**