

Half Yearly Report **2016**

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**The UNITED INSURANCE
COMPANY OF PAKISTAN LTD.**
A Member Company of United International Group

Rated A+ by PACRA

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Corporate Information

BOARD OF DIRECTORS

Chairman	Chaudhary Najeeb-ur-Rehman
Chief Executive Officer	Mohammed Rahat Sadiq
Director /President	Khawas Khan Niazi
Directors	Huma Waheed Chaudhary Aziz-ur-Rehman Chaudhary Maqsood Ahmed Javaid Sadiq
Advisor to Board	Mian M.A.Shahid (Chairman UIG)
Advisor	Sardar Khan (Former Managing Director Universal Insurance Company Limited) Major General (R) Asif Duraiz Akhtar Mr. Jamal-Ud-Din (Ex-President/Chief Executive Officer Askari General Insurance Company Limited)
Company Secretary	Athar A Khan
Chief Financial Officer	Maqbool Ahmed
Chief Internal Auditor	Abdul Mannan Munir (ACCA)
Auditors	M/S. RSM Avais Hyder Liaquat Nauman Chartered Accountants
Legal Advisors	Mohammed Farooq Sheikh (Advocate) Mian Asghar Ali (Advocate)
Tax Advisor	M/S. Sarwars Chartered Accountants
Credit Rating Agency (Pacra)	INSURER FINANCIAL STRENGTH A+(Single A plus) The Rating Denotes a capacity of the company to meet policy holder and contractual obligations
Company's Share Registrar	M/S. F.D.Registrar Services(SMC-Pvt) Ltd. 1705,17th Floor, Saima Trade Center,I.I.Chundrigar Road-Karachi.
Web Presence	www.theunitedinsurance.com
Registered Office	204, 2nd Floor, Madina City Mall, Abdullah Haroon Road, Saddar Karachi. TEL: 021-35621460-2,021-35221803-4 FAX: 021-35621459 Email: info@theunitedinsurance.com
Head Office	UIG House, 6-D, Upper Mall, Lahore TEL: 042-35776475, 35776486 UAN: 92-42-111-000-014 FAX: 92-42-35776486, 35776487 Email: uicp@theunitedinsurance.com

Committees Composition

AUDIT COMMITTEE

Chairman	Mr. Najeeb-ur-Rehman
Member	Mr. Aziz ur Rehman
Member	Mr. Khawas Khan Niazi
Secretary	Mr. Abdul Mannan Munir

HUMAN RESOURCE & REMUNERATION COMMITTEE

Chairman	Mr. Javaid Sadiq
Member	Mr. Mohammed Rahat Sadiq
Member	Mr. Maqsood Ahmed
Secretary	Mr. Wakeel Ahmed Mirza

INVESTMENT COMMITTEE

Chairman	Mr. Najeeb-ur-Rehman
Member	Mr. Mohammed Rahat Sadiq
Member	Mr. Javaid Sadiq
Secretary	Mr. Maqbool Ahmed

RE-INSURANCE COMMITTEE & CO-INSURANCE

Chairman	Mr. Maqsood Ahmed
Member	Mr. Mohammed Rahat Sadiq
Member	Mr. Abrar Ahmed
Secretary	Mr. Amir Hameed

UNDERWRITING (INSURANCE / WINDOW TAKAFUL) COMMITTEE

Chairman	Mr. Khawas Khan Niazi
Member	Mr. Mohammed Rahat Sadiq
Member	Mr. Syed Qaisar Imam
Secretary	Mr. Fahad Butt

CLAIMS (INSURANCE / WINDOW TAKAFUL) SETTLEMENT COMMITTEE

Chairperson	Madam Huma Waheed
Member	Mr. Mohammed Rahat Sadiq
Member	Mr. Kamran Zaman
Member	Mr. Mazhar Bhatti
Member	Mr. Kashif Shafique
Secretary	Mr. Rizwan Safdar

Committees Composition

COMPLIANCE COMMITTEE (INSURANCE / WINDOW TAKAFUL)

Chairman	Mr. Javaid Sadiq
Member	Mr. Mohammed Rahat Sadiq
Member	Madam Huma Waheed
Member	Mr. Rahat Ali Shah
Secretary	Mr. Saad Munir

RISK MANAGEMENT COMMITTEE (INSURANCE / WINDOW TAKAFUL)

Chairman	Mr. Khawas Khan Niazi
Member	Mr. Mohammed Rahat Sadiq
Member	Mr. Rahat Ali Shah
Secretary	Mr. Tayyab Bashir

Key Management Personnel

CONVENTIONAL BUSINESS

Head of Conventional Business	Tajammal Iqbal
Sr. Executive Director Underwriting	S.M. Qaiser Imam
Head of Corporate Compliance	Rahat Ali Shah (ACA),(CISA)
Sr. General Manager Re-Insurance	Abrar Ahmed Minhas
General Manager (HR & R)	Wakeel Ahmed Mirza
General Manager Administration	Jamil Ahmed
General Manager Operations	Tayyab Bashir
Deputy General Manager Claims	Kamran Zaman
General Manager (I.T)	Munir Ahmed
A.G.M Underwriting	Manzoor Hussain Mirza
A.G.M Reinsurance	Naeem Ahmed Babar
A.G.M Health/Travel	Kashif Shafique
Chief Manager (Web)	Mohammed Arshad
Chief Manager Agriculture	Zulfiqar Ahmed
Sr. Manager Coordination	Tahira Ashar

WINDOW TAKAFUL OPERATIONS

Head of Takaful Operations	Shakeel Ahmed
Shariah Advisor	Mufti Farhan Farooq
Joint Director Operations & Technical	Amir Hameed
Shariah Compliance Officer	Saad Munir Malik

EXECUTIVE DIRECTORS (MARKETING)

Qamar-uz-Zaman
Mian M.A Zahid
Zarar Ahmed Butt
Mian Kashif Rasheed
Ch. Aslam Feroz
Mohammed Siddique Sheikh
Rizwan-Ul-Haq
Shafaqat Ali Goraya
Hassan Nadeem

JOINT DIRECTORS (MARKETING)

Aslam Rajpoot
Mohammed Naseem Butt
Khurram Mansoor
Malik Zafar Yousaf
Mian Mohammed Rafi
Mohammed Mazhar Shah
Mohammed Riaz Hussain Shah
Kh. Adnan Hassan
Tanveer Ahmad Bhatti
Faisal Javaid
Musa Saleem
Mohammed Mohsin ullah
Chaudhary Iqbal
Zafar Mahmood
Syed Ahmad Ali
Mian Muhammed Asif

Bankers & Leasing Companies

BANKS

State Bank of Pakistan
National Bank of Pakistan
Bank Al-Habib Limited
Soneri Bank Limited
Bank Al-Falah Limited
Meezan Bank Limited
NIB Bank Limited
SME Bank Limited
The Bank of Khyber
Summit Bank Limited
Silk Bank Limited
Samba Bank Limited
Zarai Taraqiati Bank Limited
Sindh Bank Limited
The Bank of Punjab
First Women Bank Limited
The Punjab Provincial Cooperative Bank Limited
Allied Bank Limited
Habib Bank Limited
MCB Bank Limited
United Bank Limited
Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Burj Bank Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Standard Chartered Bank (Pakistan) Limited
Barclays Bank PLC, Pakistan
Habib Metropolitan Bank Limited
Karakoram Co-Operative Bank Limited
Industrial Development Bank of Pakistan
JS Bank Limited
Bank Islamic Limited
Bank of Azad Jammu & Kashmir

LEASING COMPANIES

Orix Leasing Company Limited
Crescent Standard Modaraba

MICRO FINANCE BANKS

APNA Micro Finance Bank Limited
FINCA Micro Finance Bank Limited
Khushhali Micro Finance Bank Limited
Pak-Oman Micro Finance Bank Limited
The First Micro Finance Bank Limited
Waseela Micro Finance Bank Limited
U Micro Finance Bank Limited
Tameer Micro Finance Bank Limited
NRSP Micro Finance Bank Limited

Director Report to the Members

Dear Fellow Members!

The Directors of "The United Insurance Company of Pakistan Limited" take immense pleasure in presenting the Half Year Review Report of your Company, together with the condensed interim financial information (un-audited) for the half year ended June 30, 2016.

Performance Review – Half Year - 2016

Gross Written Premium (GWP) for the 1st half year-2016 increased by 29.61 %, from Rs. 1411.85 mm for the half year in 2015 to Rs. 1829.92 mm in 2016. Premium growth has been achieved due to sincere and vigorous efforts by the Company's management and the field staff. The Company's net premium stands at 67% of GWP. The underwriting result increased by 31.84 % from Rs. 271.485 mm in 2015 to Rs. 357.934 mm in 2016. The Company earned from investment income Rs. 48.325 mm in 2016 against Rs. 47.086 mm in 2015. Accordingly the Company placed Rs. 326.102 mm Profit before tax in 2016 including results from Window Takaful Operations and associates undertaking against Rs. 245.401 mm profit before tax in 2015 and profit after tax of Rs. 281.754 mm in 2016 against Rs. 216.809 mm profit after tax in 2015. Earnings per share of the Company increase meaningfully to Rs. 1.56 in 2016 as against Rs. 1.20 in 2015.

Future Outlook

Pakistani economy is moving ahead to even stronger points with stable output. Reforms in the privatization programme and better relations with the International monetary Fund (IMF) have strengthened Pakistan's economy. According to the report, inclusion of Pakistan in countries with emerging markets status will increase foreign investment significantly. Meanwhile, foreign investors are looking at the rewarding outlook in Pakistan after Chinese investment of \$46 billion under the China-Pakistan Economic Corridor (CPEC) project, international investors are considering Pakistan as the best market for gains after reduced performance of the Chinese economy and interest rates in the United States.

The Company will continue to focus in momentum of growth in premium while at the same time maintaining profitability to decent standard.

Acknowledgement

The achievements of the first half – 2016 would have not been possible without the support of our regulatory body and the commitment of our employees. We would like to extend our sincere thanks to everyone mainly our valued customers, Banks and SECP for their support and confidence in the Company.

For and on behalf of the Board



Mohammed Rahat Sadiq

Chief Executive Officer

Date: **August 30, 2016**

اراکین کو ڈائریکٹرز رپورٹ

محترم ساتھی اراکین!

دی یونائیٹڈ انشورنس کمپنی آف پاکستان لمیٹڈ کے ڈائریکٹرز پہلی ششماہی 2016 کے غیر محاسبی مالیاتی گوشوارے پیش کرتے ہوئے نہایت مسرت محسوس کر رہے ہیں۔

کنوشل کاروبار کی پہلی ششماہی 2016 کی کارکردگی کا جائزہ:

کمپنی کا خام بیہ پہلی ششماہی میں 26.61 فیصد اضافہ سے 1829.92 ملین روپے رہا جو کہ پچھلے سال 2015 میں 1411.85 ملین روپے تھا۔ کمپنی نے یہ کارکردگی بہتر انتظامیہ امور اور فیڈل سٹاف کی سنجیدہ اور انتھک کوششوں کی وجہ سے حاصل کی ہے۔ کمپنی کا خالص بیہ خام 67 فی صد رہا ہے۔ مجموعی طور پر خالص ذمہ دہی میں 31.84 فیصد اضافے سے پہلی ششماہی 2016 میں 357.934 ملین روپے ہو گیا جو کہ پہلی ششماہی 2015 میں 271.485 ملین روپے تھا۔ کمپنی کی خالص سرمایہ کاری سے حاصل کی گئی آمدنی پہلی ششماہی 2016 میں 48.325 ملین روپے رہی جو کہ 2015 کے اسی عرصہ میں 47.086 ملین تھی جس کی وجہ سے کمپنی کا قفل ازنگیس منافع پہلی ششماہی 2015 میں 245.401 ملین روپے سے بڑھ کر پہلی ششماہی 2016 میں 281.754 ملین روپے ہو گیا ہے جس میں ونڈو کنفل آپریشنز اور ذیلی اداروں کا منافع بھی شامل ہے۔ مزید برآں بعد ازنگیس منافع پہلی ششماہی 2016 میں 216.809 ملین روپے تھا۔ فی حصص منافع پہلی ششماہی 2016 میں 1.56 ملین روپے رہا جو کہ 2015 میں 1.20 ملین روپے تھا۔

مستقبل کے نقطہ نظر:

پاکستان کی معیشت مستحکم پیداوار کے حصول کے منازل طے کر رہی ہے۔ نجکاری پروگرام میں اصلاحات اور بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) کے ساتھ بہتر تعلقات نے پاکستان کی معیشت کو مضبوط کیا ہے۔ ایک رپورٹ کے مطابق، پاکستان بھی ان ممالک میں شامل ہے جن کی ابھرتی ہوئی تجارتی منڈیوں نے نمایاں طور پر بیرونی سرمایہ کاری کو متوجہ کیا ہے۔ دریں اثنا، پاکستان میں کی گئی چین کی سرمایہ کاری 46 ملین ڈالر ہے جو کہ پاک چین معاشی راہداری منصوبہ کے تحت ہے جس کی وجہ سے بیرونی سرمایہ دار پاکستان کو ایک فائدہ مند تجارتی منڈی کی حیثیت سے دیکھ رہے ہیں۔ بین الاقوامی سرمایہ کار چین کی کم ہوتی ہوئی معاشی کارکردگی اور امریکہ میں شرح سود کی کمی کے باعث پاکستان کو سرمایہ کاری کے لئے مفید منڈی سمجھتے ہیں۔ کمپنی بیہ کی شرح نمو کی رفتار پر مسلسل نظر رکھتے ہوئے شرح منافع کی رفتار کو برقرار رکھنے پر عمل پیرا ہے۔

اعتراف:

پہلی ششماہی 2016 کی حاصل کردہ کامیابیاں ملازمین کی انتھک کاوشوں اور انتظامی اداروں کی بہتر پالیسی کے مرہون منت ہے۔ ہم اپنے قابل قادر صارفین، کاروباری معاونین، سیکورٹیز ریٹینڈ ایکسچینج کمیشن آف پاکستان، بینکاروں اور ملازمین کے مسلسل اعتماد و حمایت کے اظہار کو ہر سہ ماہی میں اور ان کا نہایت شکر یہ ادا کرتے ہیں۔



محمد راحت صادق

کمپنی کا سربراہ

مورخہ 30 اگست 2016

Financial Statements

For The Half Year Ended June 30, 2016

Independent Auditors' Report On Review

Of condensed interim financial information to the members

Introduction

We have reviewed the accompanying condensed interim balance sheet of **The United Insurance Company of Pakistan Limited** as at June 30, 2016 and the related:

- a) condensed interim profit and loss account;
- b) condensed interim statement of comprehensive income;
- c) condensed interim statement of changes in equity;
- d) condensed interim statement of cash flows;
- e) condensed interim statement of premiums;
- f) condensed interim statement of claims;
- g) condensed interim statement of expenses;
- h) condensed interim statement of investment income; and

notes forming part thereof for the six-month period then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures for the quarter ended June 30, 2016 and June 30, 2015 in condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of premiums, condensed interim statement of claims, condensed interim statement of expenses and condensed interim statement of investment income have not been reviewed by us as we are required to review only the cumulative figures for the half year ended June 30, 2016.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.



RSM/AVAIS HYDER LIAQUAT NAUMAN

Chartered Accountants

Engagement Partner: Syed Ali Adnan Tirmizey

Place: Lahore

Date: **August 30, 2016**

Condensed Interim Balance Sheet (Un-Audited)

as at June 30, 2016

	Note	Un-Audited June 30, 2016 Rupees	Audited December 31, 2015 Rupees
Share capital and reserves			
Authorized share capital 200,000,000/- (2015 : 200,000,000/-) ordinary shares of Rs. 10/- each	5	2,000,000,000	2,000,000,000
Paid-up share capital	5	1,803,200,000	1,288,000,000
Retained earnings		667,928,425	881,893,837
Reserves		75,115,917	75,115,917
		2,546,244,342	2,245,009,754
Surplus on revaluation of fixed assets			
		38,826,004	39,235,655
Total liabilities in window takaful operations	9	54,739,340	41,838,276
Underwriting provisions			
Provision for outstanding claims (including IBNR)		764,969,447	800,096,330
Premium deficiency reserve		5,261,422	5,261,422
Provision for unearned premium		1,411,840,551	1,389,096,411
Commission income unearned		105,661,985	103,583,933
Total underwriting provisions		2,287,733,405	2,298,038,096
Deferred liabilities			
Staff retirement benefits	6	67,426,075	62,669,003
		67,426,075	62,669,003
Creditors and accruals			
Amounts due to other insurers / reinsurers		92,633,540	113,697,917
Accrued expenses		9,306,506	25,739,485
Provision for taxation - net		66,773,562	59,566,991
Other creditors and accruals		73,743,055	62,275,279
		242,456,663	261,279,672
Other liabilities			
Liabilities against assets subject to finance lease		107,734,881	110,644,177
TOTAL LIABILITIES		2,760,090,364	2,774,469,224
TOTAL EQUITY AND LIABILITIES		5,345,160,710	5,058,714,633
CONTINGENCIES & COMMITMENTS	7	-	-

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director

Condensed Interim Balance Sheet (Un-Audited)

as at June 30,2016

	Note	Un-Audited	Audited
		June 30, 2016 Rupees	December 31, 2015 Rupees
Cash and bank deposits			
Cash and other equivalents		305,391	269,982
Current and other accounts		331,147,500	324,552,304
Deposits maturing within 12 months		118,088,137	53,240,994
Deposits maturing after 12 months		19,947,500	22,002,350
		469,488,528	400,065,630
Loans			
To employees and agents		17,742,121	14,545,804
Investments			
	8	1,032,165,066	1,036,463,220
Total assets in window takaful operations	9	231,954,146	170,915,240
Investment property		2,783,703	2,854,879
Deferred tax asset		10,475,109	9,823,424
Current assets - others			
Premiums due but unpaid	10	790,354,978	695,561,774
Amounts due from other insurers / reinsurers		383,321,001	515,170,699
Prepaid reinsurance premium ceded		570,228,199	517,279,181
Reinsurance recoveries against outstanding claims		640,273,322	686,761,318
Deferred commission expense		265,059,722	177,257,172
Accrued investment income		11,419,774	16,994,951
Sundry receivables		112,804,002	111,122,339
		2,773,460,998	2,720,147,434
Fixed assets - Tangible and intangibles			
	11		
Owned			
Land freehold		214,729,600	164,729,600
Buildings		151,702,948	129,206,777
Furniture, fixtures, office and computer equipments		114,370,566	114,496,801
Motor vehicles		120,064,793	118,404,380
Motor tracking devices		68,580,007	43,861,622
Intangible asset- computer software		7,289,294	8,333,888
		676,737,208	579,033,068
Leased			
Motor vehicles		126,864,026	124,865,934
Office equipment		3,489,805	-
		130,353,831	124,865,934
TOTAL ASSETS		5,345,160,710	5,058,714,633

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Profit And Loss Account (Un-Audited)

for the half year ended June 30, 2016

	Quarter ended June 30, 2016					Quarter ended June 30, 2016 Aggregate	Quarter ended June 30, 2015 Aggregate
	Fire and property damage	Marine aviation and transport	Motor	Crop	Miscellaneous		
----- R u p e e s -----							
REVENUE ACCOUNT							
Net premium revenue	150,360,322	47,971,235	151,273,856	51,593,586	218,292,496	619,491,495	423,977,978
Net claims	(92,830,980)	(12,015,096)	(89,708,121)	(9,391,749)	(109,130,014)	(313,075,960)	(198,605,930)
Change in premium deficiency reserve	-	-	-	-	-	-	-
Management expenses	(30,096,988)	(10,928,636)	(44,533,767)	(25,030,795)	(44,523,606)	(155,113,792)	(106,056,247)
Net commission	(10,954,285)	1,745,725	(14,495,797)	(10,453,632)	(8,559,542)	(42,717,531)	(56,289,089)
UNDERWRITING RESULTS	16,478,069	26,773,228	2,536,171	6,717,410	56,079,334	108,584,212	63,026,712
Investment income						24,202,461	17,724,172
Rental income						348,000	348,000
Other income						7,523,432	4,595,678
Share of Profit/(loss) from associate						21,396,680	(6,601,594)
Profit from window takaful operations						27,344,801	40,296,908
General and administration expenses						(51,208,927)	(53,617,723)
Finance charge on lease rentals						(3,580,425)	(2,862,411)
						26,026,022	(116,970)
Profit before tax						134,610,624	62,909,742
Provision for taxation							
- Current						(20,000,000)	(10,448,000)
- Prior						-	-
- Deferred						201,425	(428,219)
Profit after tax						114,812,049	52,033,523
Earnings per share of Rs 10/- each - basic - restated						0.64	0.29

Mohammed Rahat Sadiq
Chief Executive Officer

Huma Waheed
Director

Khawas Khan Niazi
Director / President

Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Profit And Loss Account (Un-Audited)

for the half year ended June 30, 2016

Six months ended June 30, 2016							
	Fire and property damage	Marine aviation and transport	Motor	Crop	Miscellaneous	Half year ended June 30, 2016 Aggregate	Half year ended June 30, 2015 Aggregate
----- R u p e e s -----							
REVENUE ACCOUNT							
Net premium revenue	230,287,975	81,058,348	347,834,890	120,367,917	451,253,729	1,230,802,859	980,884,064
Net claims	(134,117,248)	(28,573,436)	(155,879,237)	(26,225,725)	(187,833,448)	(532,629,094)	(427,436,399)
Change in premium deficiency reserve	-	-	-	-	-	-	-
Management expenses	(48,899,717)	(16,674,825)	(71,801,874)	(48,493,260)	(73,843,639)	(259,713,315)	(186,970,112)
Net commission	(22,255,974)	(308,858)	(31,086,554)	(23,604,345)	(3,271,144)	(80,526,875)	(94,992,100)
UNDERWRITING RESULTS	25,015,036	35,501,229	89,067,225	22,044,587	186,305,498	357,933,575	271,485,453
Investment income						48,324,716	47,085,557
Rental income						696,000	696,000
Other income						8,423,088	7,169,578
Share of profit/(loss) from associate						19,445,900	(13,250,159)
Profit from window takaful operations						29,224,259	50,492,167
General and administration expenses						(131,329,715)	(112,860,534)
Finance charge on lease rentals						(6,615,420)	(5,416,963)
						(31,831,172)	(26,084,353)
Profit before tax						326,102,403	245,401,100
Provision for taxation							
- Current						(45,000,000)	(25,448,000)
- Prior						-	(2,593,803)
- Deferred						651,685	(550,000)
Profit after tax						281,754,088	216,809,296
PROFIT AND LOSS APPROPRIATION ACCOUNT							
Balance at commencement of the period						881,893,837	649,907,057
Total comprehensive income for the period						282,234,588	218,845,841
Profit available for appropriation						1,164,128,425	868,752,898
Bonus shares issued - final						(515,200,000)	(368,000,000)
Return of Qarz-e-hasna from participant's takaful fund (PTF)						19,000,000	
Balance of unappropriated profit at end of the period						667,928,425	500,752,898
Earning per share of Rs. 10/- each restated		Note 13				1.56	1.20

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.


Mohammed Rahat Sadiq
 Chief Executive Officer


Huma Waheed
 Director


Khawas Khan Niazi
 Director / President


Ch. Najeeb-Ur-Rehman
 Chairman

Condensed Interim Statement of Comprehensive Income (Un-Audited)

for the half year ended June 30, 2016

	June 30, 2016	June 30, 2015
	Rupees	Rupees
Profit for the period	281,754,088	216,809,296
Other comprehensive income for the period		
Incremental depreciation net of deferred tax	409,651	431,210
Share of other comprehensive (loss)/ income from associate	(228,657)	-
Share of other comprehensive (loss)/ income from takaful	(86,418)	-
Actuarial profit on defined benefit plan	385,924	1,605,335
	480,500	2,036,545
Total comprehensive income for the period	282,234,588	218,845,841

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Changes In Equity (Un-Audited)

for the half year ended June 30, 2016

Description	Share capital	Reserve for issue of bonus shares	General reserve	Retained earnings	Total
	----- Rupees -----				
Balance as at January 01, 2015	920,000,000	-	75,115,917	649,907,057	1,645,022,974
Transfer to reserve for issue of bonus shares	-	368,000,000	-	(368,000,000)	-
Bonus shares reserve capitalized	368,000,000	(368,000,000)	-	-	-
Transfer to general reserve	-	-	-	-	-
Net profit for the period	-	-	-	216,809,296	216,809,296
Other comprehensive income	-	-	-	2,036,545	2,036,545
Total comprehensive income for the period	-	-	-	218,845,841	218,845,841
Balance as at June 30, 2015	1,288,000,000	-	75,115,917	500,752,898	1,863,868,815
Balance as at January 01, 2016	1,288,000,000	-	75,115,917	881,893,837	2,245,009,754
Transfer to reserve for issue of bonus shares	-	515,200,000	-	(515,200,000)	-
Bonus share reserve capitalized	515,200,000	(515,200,000)	-	-	-
Transfer to general reserve	-	-	-	-	-
Net profit for the period	-	-	-	281,754,088	281,754,088
Other comprehensive income	-	-	-	480,500	480,500
Return of Qarz-e-hasna from participant's takaful fund (PTF)	-	-	-	19,000,000	19,000,000
Total comprehensive income for the period	-	-	-	301,234,588	301,234,588
Balance as at June 30, 2016	1,803,200,000	-	75,115,917	667,928,425	2,546,244,342

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Cash Flows (Un-Audited)

for the half year ended June 30, 2016

	June 30, 2016	June 30, 2015
	Rupees	Rupees
OPERATING CASH FLOWS		
a) Underwriting activities		
Premium received	1,730,553,698	1,337,307,819
Reinsurance premium paid	(650,383,130)	(564,065,464)
Claims paid	(800,987,216)	(831,120,226)
Reinsurance and other recoveries received	411,568,933	562,548,646
Commission paid	(280,312,296)	(161,874,938)
Commission received	114,060,924	34,536,062
Net cash inflow from underwriting activities	524,500,913	377,331,899
b) Other operating activities		
Income tax paid	(37,793,429)	(23,255,513)
General management expenses paid	(282,080,308)	(248,673,483)
Other operating payments	(1,681,663)	(52,637,934)
Loan to employees and agents	(3,196,317)	(1,350,284)
Net cash outflow from other operating activities	(324,751,716)	(325,917,214)
Total cash flow from all operating activities	199,749,197	51,414,685
INVESTMENT ACTIVITIES		
Investment income received	53,899,892	64,028,540
Rental income received	696,000	696,000
Net assets in window takaful operations	(48,137,842)	(50,492,167)
purchase of investment and fixed deposits	(40,507,372)	(38,987,381)
Proceeds from sale of fixed assets	5,907,400	2,818,385
Fixed capital expenditure	(132,768,955)	(37,166,139)
Net cash flow from investing activities	(160,910,877)	(59,102,762)
FINANCING ACTIVITIES		
Lease liability paid	(32,207,715)	(23,157,285)
Net cash outflow from financing activities	(32,207,715)	(23,157,285)
Net cash inflow/(outflow) from all activities	6,630,605	(30,845,362)
Cash and cash equivalents at the beginning of the period	324,822,286	334,377,685
Cash and cash equivalents at the end of the period	331,452,891	303,532,323

Condensed Interim Statement of Cash Flows (Un-Audited)

for the half year ended June 30, 2016

	June 30, 2016	June 30, 2015
	Rupees	Rupees
Reconciliation of profit and loss account		
Net cash inflow from operating activities	199,749,197	51,414,685
Depreciation	(50,025,144)	(41,049,182)
Lease finance charges	(6,615,420)	(5,416,963)
Gain on disposal of fixed assets	3,672,627	1,776,326
(Provision) / reversal for impairment in value of investment	5,146,985	(6,831,181)
Increase/(decrease) in assets other than cash	18,452,108	(251,386,086)
(Increase)/decrease in liabilities	14,378,860	383,974,133
Others		
Dividend income	1,700,506	9,518,687
Gain & other investment income	46,624,210	37,566,870
Share of profit / (loss) from associate	19,445,900	(13,250,159)
Income from window takaful operations	29,224,259	50,492,167
Profit after taxation	281,754,088	216,809,297

Definition of cash

Cash for the purpose of the statement of cash flows comprises of cash in hand, bank balances and other assets which are readily convertible to cash and used for cash management for day to day business operations.

Cash for the purpose of cash flows Compriss of:

Cash and other equivalents		
- cash in hand	305,391	378,225
Current and other accounts	331,147,500	303,154,098
	331,452,891	303,532,323

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Premiums (Un-Audited)

for the half year ended June 30, 2016

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Quarter ended June 30, 2016						Quarter ended June 30, 2015			
	Premiums written		Unearned premium reserve		Reinsurance ceded			Prepaid reinsurance premium ceded	Reinsurance expense	Net premium revenue
	Opening	Closing	Opening	Closing	Opening	Closing				
----- R u p e e s -----										
Direct and facultative										
Fire and property damage	184,840,845	243,963,383	239,179,508	189,624,720	77,690,973	157,534,837	195,961,412	39,264,398	150,360,322	39,367,510
Marine, aviation and transport	68,683,699	95,003,052	31,090,167	132,596,584	25,425,000	71,912,849	12,712,500	84,625,349	47,971,235	30,082,901
Motor	274,306,155	413,781,256	471,713,571	216,373,840	223,816,935	83,754,287	242,471,238	65,099,984	151,273,856	127,517,573
Crop	142,399,223	177,145,522	241,423,125	78,121,620	54,075,200	28,309,234	55,856,400	26,528,034	51,593,586	89,513,080
Miscellaneous	271,264,089	413,954,708	428,434,180	256,784,618	16,101,796	85,616,975	63,226,649	38,492,122	218,292,496	137,496,914
GRAND TOTAL	941,494,011	1,343,847,921	1,411,840,551	873,501,382	397,109,904	427,128,182	570,228,199	254,009,887	619,491,495	423,977,978

Condensed Interim Statement of Premiums (Un-Audited)

for the half year ended June 30, 2016

Class	Six months ended June 30, 2016								Six months ended June 30, 2015	
	Premiums written		Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium	Reinsurance expense	Net premium revenue	
	Opening	Closing	Opening	Closing		ceded	Opening	Closing	2016	2015
----- Rupees -----										
<i>Direct and facultative</i>										
Fire and property damage	344,543,024	316,544,098	239,179,508	421,907,614	162,176,257	225,404,794	195,961,412	191,619,639	230,287,975	168,495,618
Marine, aviation and transport	117,489,321	121,575,633	31,090,167	207,974,788	56,172,181	83,456,759	12,712,500	126,916,440	81,058,348	79,055,418
Motor	505,909,564	415,437,149	471,713,571	449,633,142	270,430,872	73,838,618	242,471,238	101,798,252	347,834,890	293,760,206
Crop	341,679,162	93,176,373	241,423,125	193,432,410	115,275,200	13,645,693	55,856,400	73,064,493	120,367,917	138,726,167
Miscellaneous	520,295,661	442,363,158	428,434,180	534,224,640	25,264,243	120,933,317	63,226,649	82,970,911	451,253,729	300,846,655
GRAND TOTAL	1,822,916,732	1,389,096,411	1,411,840,551	1,807,172,594	629,318,753	517,279,181	570,228,199	576,369,735	1,230,802,859	980,884,064

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Claims (Un-Audited)

for the half year ended June 30, 2016

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Quarter ended June 30, 2016						Quarter ended June 30, 2015			
	Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries outstanding claims		Reinsurance and other recoveries revenue	Net claims expenses	
		Opening	Closing			Opening				Closing
----- R u p e e s -----										
Direct and facultative										
Fire and property damage	155,420,424	451,448,727	443,628,371	147,600,068	70,447,216	422,565,688	406,887,560	54,769,088	92,830,980	1,492,911
Marine, aviation and transport	83,149,646	231,150,367	205,157,318	57,156,597	53,304,180	195,141,495	186,978,816	45,141,501	12,015,096	16,275,186
Motor	95,226,474	39,809,649	42,042,988	97,459,813	7,757,242	4,748,760	4,743,210	7,751,692	89,708,121	61,958,139
Crop	11,150,102	1,758,353	2,888,457	12,280,206	-	-	2,888,457	2,888,457	9,391,749	46,875,855
Miscellaneous	102,649,469	35,798,980	71,252,313	138,102,802	9,585,815	19,388,306	38,775,279	28,972,788	109,130,014	72,003,839
GRAND TOTAL	447,596,115	759,966,076	764,969,447	452,599,686	141,094,453	641,844,249	640,273,322	139,523,526	313,075,960	198,605,930

Condensed Interim Statement of Claims (Un-Audited)

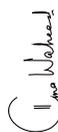
for the half year ended June 30, 2016

Class	Six months ended June 30, 2016				Six months ended June 30, 2015					
	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	Net claims expenses			
	Opening	Closing	Opening	Closing	Opening	Closing				
----- Rupees -----										
<i>Direct and facultative</i>										
Fire and property damage	238,192,957	414,731,010	443,628,371	267,090,318	119,076,717	392,991,207	406,887,560	132,973,070	134,117,248	57,952,119
Marine, aviation and transport	160,387,436	288,769,478	205,157,318	76,775,276	121,601,680	260,378,656	186,978,816	48,201,840	28,573,436	43,719,058
Motor	163,054,943	35,871,702	42,042,988	169,226,229	13,983,957	5,380,175	4,743,210	13,346,992	155,879,237	118,212,226
Crop	27,984,078	1,758,353	2,888,457	29,114,182	-	-	2,888,457	2,888,457	26,225,725	65,502,302
Miscellaneous	211,367,802	58,965,787	71,252,313	223,654,328	25,056,881	28,011,280	38,775,279	35,820,880	187,833,448	142,050,694
GRAND TOTAL	800,987,216	800,096,330	764,969,447	765,860,333	279,719,235	686,761,318	640,273,322	233,231,239	532,629,094	427,436,399

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Expenses (Un-Audited) for the half year ended June 30, 2016

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Quarter ended June 30, 2016										Quarter ended June 30, 2015	
	Opening					Closing						
	Commission paid or payable	Deferred commission	Net commission expense	Other management expenses	Underwriting expenses	Commission on reinsurance	Unearned commission	commission received from re-insurers	Net underwriting expenses			
----- Rupees -----												
Direct & facultative												
Fire and property damage	36,730,643	53,487,397	66,865,240	23,352,800	30,096,988	53,449,788	8,736,708	30,162,749	26,500,942	12,398,515	41,051,273	36,022,550
Marine, aviation and transport	7,315,439	10,225,692	4,431,273	13,109,859	10,928,636	24,038,495	4,374,331	12,668,417	2,187,165	14,855,583	9,182,912	13,121,332
Motor	50,701,683	46,804,223	70,299,116	27,206,790	44,533,767	71,740,556	50,418,037	16,582,937	56,289,981	12,710,993	59,029,563	63,833,343
Crop	77,254,616	12,057,587	69,721,933	19,590,269	25,030,795	44,621,065	11,446,920	9,559,658	11,869,941	9,136,637	35,484,428	19,466,507
Miscellaneous	40,643,631	24,980,739	53,742,160	11,882,210	44,523,606	56,405,816	1,787,628	12,368,997	10,813,956	3,322,669	53,083,147	29,901,604
GRAND TOTAL	212,646,012	147,555,638	265,059,722	95,141,928	155,113,792	250,255,720	76,763,624	81,322,758	105,661,985	52,424,397	197,831,323	162,345,336

Condensed Interim Statement of Expenses (Un-Audited)

for the half year ended June 30, 2016

Class	Six months ended June 30, 2016						Six months ended June 30, 2015					
	Commission paid or payable	Deferred commission	Net commission expense	Other management expenses	Underwriting expenses	Commission on reinsurance		Unearned commission	commission received from re-insurers	Net underwriting expenses		
	Opening	Closing				Opening	Closing					
----- Rupees -----												
<i>Direct & facultative</i>												
Fire and property damage	59,592,175	69,350,348	66,865,240	62,077,283	48,899,717	110,977,000	18,098,254	48,223,997	26,500,942	39,821,309	71,155,691	67,983,875
Marine, aviation and transport	10,238,037	16,319,059	4,431,273	22,125,824	16,674,825	38,800,649	8,328,072	15,676,059	2,187,165	21,816,966	16,983,683	23,353,268
Motor	70,073,737	51,592,608	70,299,116	51,367,229	71,801,874	123,169,103	60,493,790	14,076,866	54,289,981	20,280,675	102,888,428	113,489,478
Crop	92,206,432	13,746,826	69,721,933	36,231,324	48,493,260	84,724,584	24,496,920	-	11,869,941	12,626,979	72,097,605	24,343,463
Miscellaneous	48,201,915	26,248,331	53,742,160	20,708,087	73,843,639	94,551,726	2,443,888	25,607,011	10,813,956	17,436,943	77,114,783	52,792,128
GRAND TOTAL	280,312,296	177,257,172	265,059,722	192,509,747	259,713,315	452,223,062	114,060,924	103,583,933	105,661,985	111,982,872	340,240,190	281,962,212

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Investment Income (Un-Audited)

for the half year ended June 30, 2016

	Quarter Ended		Six Months Ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Income from non-trading investments:				
Available for sale				
Dividend income	1,649,506	9,268,687	1,700,506	9,518,687
Gain / (loss) on sale of 'available for sale' investments	4,543,433	4,049,470	144,863	9,899,049
	6,192,939	13,318,157	1,845,369	19,417,736
Held to maturity				
Return on government securities	15,597,005	4,232,244	39,007,425	31,737,966
Return on fixed deposit receipts	1,671,411	1,100,888	2,496,537	2,714,307
Amortization on discount of preference shares	-	318,328	-	636,656
	23,461,355	18,969,617	43,349,331	54,506,665
Reversal / (provision) for impairment in value of investment	741,756	(954,890)	5,146,985	(6,831,181)
Investment related expenses	(650)	(290,555)	(171,600)	(589,927)
Net Investment Income	24,202,461	17,724,172	48,324,716	47,085,557

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

1 LEGAL STATUS AND NATURE OF BUSINESS

The United Insurance Company of Pakistan Limited (hereinafter called "the company ") was incorporated on October 20, 1959, as a Public Limited Company under the Defunct Companies Act, 1913, now the Companies Ordinance, 1984, and its shares are quoted on Pakistan Stock Exchange Limited. The Registered Office of the company is situated at 204, 2nd floor, Madina City Mall, Abdullah Haroon Road, Saddar, Karachi, and its Head Office is located in Lahore. The principal activity of the company is General Insurance Business and it qualifies as a domestic insurance company under Insurance Ordinance, 2000 and undertakes Fire, Marine, Motor and Miscellaneous General insurance. The company has been allowed to carry on Window Takaful Operation on August 18, 2014 by Securities and Exchange Commission of Pakistan under Takaful Rules, 2012. It has not transacted any insurance business outside Pakistan.

For the purpose of carrying on the takaful business, the company has formed a Waqf/Participants' Takaful Fund (PTF) on June 09, 2014 under a trust deed. The trust deed governs the relationship of shareholders and policy holders for management of takaful operations.

2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with the format of financial statements prescribed under Securities and Exchange Commission (Insurance) Rules, 2002, SEC (Insurance) Rules, 2002, vide S.R.O. 938, dated December 12, 2002 and Circular No. 25 of 2015, dated July 09, 2015 on " Financial Reporting of Window Takaful Operations by Non-Life Insurers".

SECP vide Circular No. 25 of 2015, dated July 09, 2015, has made it mandatory on non-life insurers authorised to carry on window takaful operations to produce the separate set of financial statements for window takaful operations and disclose total assets and total liabilities of operators' fund as a single line item in the statement of financial position of the insurer. Accordingly, the financial statements for the period ended on June 30, 2016 have been presented in the manner as required.

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and Islamic Financial Accounting Standard (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984, Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and Takaful Rules, 2012 read with Circular No. 25 of 2015 dated July 09, 2015. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984, Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and Takaful Rules, 2012 shall prevail.

The SECP has allowed the insurance companies to defer the application of International Accounting Standard-39 (IAS-39) "Financial Instruments: Recognition and Measurement" in respect of valuation of 'available-for-sale investments'. Accordingly, the requirements of IAS-39, to the extent required by SECP as aforesaid, have not been considered in the preparation of these financial statements.

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, freehold land and building is stated at revalued amount and staff retirement benefits are stated at present value.

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Pakistani Rupees which is the company's functional currency and presentation currency. All financial information presented in Pakistan rupees are rounded off to nearest rupees unless otherwise stated.

2.4 USE OF ESTIMATES AND JUDGMENTS

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, 2015.

The provision for taxation of the six months ended June 30, 2016 has been made using the tax rate that would be applicable to expected total annual earnings.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of the condensed interim financial report as at June 30, 2016 are the same as those adopted in the preparation of the financial statements for the year ended December 31, 2015 except otherwise stated.

3.1 New, amended and revised International Financial Reporting (IFRSs) standards and interpretations of IFRSs

The company has adopted the following amendments and annual improvements to IFRSs, which became effective for the current period:

- Intangible Assets: (Amendments to IAS 38);
- Property, Plant and Equipment: (Amendments to IAS 36)
- Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10- Consolidated Financial Statements and IAS 28- Investment in Associates and Joint Ventures)
- Separate Financial Statements (Amendments to IAS 27)
- Annual Improvements to IFRSs 2012-2014 Cycle

The adoption of above amendments and improvements did not have any effect on the financial statements.

4 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 December 31, 2015.

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

	(Unaudited)	(Audited)
	June 30, 2016	December 31, 2015
	(Rupees)	(Rupees)

5 SHARE CAPITAL

5.1 AUTHORIZED SHARE CAPITAL

June 30, 2016	December 31, 2015		(Rupees)	(Rupees)
(Number of shares)				
200,000,000	200,000,000	Ordinary shares of Rs. 10/- each	2,000,000,000	2,000,000,000

5.2 PAID-UP SHARE CAPITAL

June 30, 2016	December 31, 2015		(Rupees)	(Rupees)
(Number of shares)				
10,963,475	10,963,475	Ordinary shares of Rs. 10/- each fully paid in cash	109,634,750	109,634,750
169,356,525	117,836,525	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares	1,693,565,250	1,178,365,250
180,320,000	128,800,000		1,803,200,000	1,288,000,000

Reconciliation of issued, subscribed and paid up share capital

June 30, 2016	December 31, 2015		(Rupees)	(Rupees)
(Number of shares)				
128,800,000	92,000,000	At the beginning of the period	1,288,000,000	920,000,000
51,520,000	36,800,000	Bonus shares issued during the period	515,200,000	368,000,000
180,320,000	128,800,000		1,803,200,000	1,288,000,000

6 DEFERRED LIABILITIES

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

7 CONTINGENCIES AND COMMITMENTS

7.1 CONTINGENCIES

There is no change in the status of contingent liabilities since the end of last annual reporting period ended December 31, 2015.

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

7.2 COMMITMENTS

There are no commitments on balance sheet date. (December 2015: Total commitment amounting of Rs. 44,766,668/- constituting purchase of property at Upper Mall, Lahore amounting of Rs. 40,500,000/- and purchase of office at Century tower, Rawalpindi amounting of Rs. 4,266,668/-.)

	Note	June 30, 2016 Rupees	December 31, 2015 Rupees
8 INVESTMENTS			
Available for sale	8.1	144,609,690	67,738,359
Held to maturity	8.2	442,195,569	542,582,297
Investment in associate	8.3	445,359,807	426,142,564
		1,032,165,066	1,036,463,220

8.1 AVAILABLE FOR SALE

Ordinary shares of listed companies - cost		4,693,466	44,375,294
Mutual fund certificates		142,470,990	31,064,816
Less: Provision for impairment in value of investment		[2,554,766]	[7,701,751]
		144,609,690	67,738,359

Market value of ordinary shares of listed companies is Rs. 3,074,712/- (December 31, 2015 is Rs. 36,674,588/-)

8.2 HELD TO MATURITY

Pakistan investment bonds	8.2.1	442,195,569	529,658,297
Preference shares - Silk Bank Limited		-	12,924,000
		442,195,569	542,582,297

8.2.1 Market value of PIB's is Rs. 449,100,558/- (2015: Rs. 551,054,849/-)

The Pakistan Investment Bonds amounting to Rs. 195,740,224/- (2015: Rs. 144,040,000/-) are placed as statutory deposit with the State Bank of Pakistan in accordance with the requirements of clause (a) of the sub-section 2 of section 29 of the Insurance Ordinance, 2000.

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

8.3 PARTICULARS OF INVESTMENT IN ASSOCIATE

(Unaudited)	(Audited)	Face value per share	Name of Associate	Note	(Unaudited)	(Audited)
June 30, 2016	Dec. 31, 2015				June 30, 2016	Dec. 31, 2015
(Number of shares)					(Rupees)	(Rupees)
82,772,909	82,772,909	10	Apna Micro Finance Bank Limited		445,359,807	426,142,564
82,772,909	82,772,909				445,359,807	426,142,564

MOVEMENT IN INVESTMENT IN ASSOCIATE

Beginning of the period/ year	426,142,564	193,567,410
Purchased during the period/ year	-	244,241,140
	426,142,564	437,808,550
Share in Profit/(loss) of associate	19,445,900	[10,992,111]
Share in other comprehensive loss of associate	[228,657]	[673,875]
Closing balance	445,359,807	426,142,564

The Market value of investment and percentage of holding in associate are Rs. 922,917,935/- and 37.62% respectively. (2015: 1,117,434,272/- and 37.62%)

9 INVESTMENT IN WINDOW TAKAFUL OPERATIONS (WTO)

Total assets in Operators' fund	231,954,146	170,915,240
Total liabilities in Operators' fund	[54,739,340]	[41,838,276]
Net assets in window takaful operations (WTO)	177,214,806	129,076,964

MOVEMENT OF INVESTMENT IN WINDOW TAKAFUL OPERATIONS (WTO)

Balance at beginning of the period / year	129,076,964	78,455,780
Invested in statutory reserves during the period / year	-	-
	129,076,964	78,455,780
Share in profit of WTO	29,224,259	69,794,020
Share in other comprehensive loss of WTO	[86,418]	[172,836]
Qarz-e-hasna to / (from) Participants' Takaful Fund (PTF)	19,000,000	[19,000,000]
Balance at period end	177,214,806	129,076,964

10 PREMIUMS DUE BUT UNPAID

Unsecured		
- Considered good	790,354,978	695,561,774
- Considered doubtful	23,342,180	18,772,350
	813,697,158	714,334,124
Provision for doubtful balances	[23,342,180]	[18,772,350]
	790,354,978	695,561,774

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

	(Unaudited)	(Audited)
	June 30, 2016	December 31, 2015
	Rupees	Rupees
10.1 PROVISION FOR DOUBTFUL BALANCES		
Opening provision	(18,772,350)	(17,391,187)
Charge for the period / year	(4,569,830)	(10,870,528)
Bad debts recovered during the period / year	-	9,489,365
Closing provision	(23,342,180)	(18,772,350)

11 ADDITIONS / DELETIONS IN FIXED ASSETS

Following are the major additions at cost and deletions at net book value in fixed assets:

	Additions (at cost)		Deletions (at net book value)	
	June 30, 2016 (Rupees)	June 30, 2015 (Rupees)	June 30, 2016 (Rupees)	June 30, 2015 (Rupees)
Tangible Owned Assets				
Land freehold	50,000,000	-	-	-
Building	26,014,297	2,974,391	-	-
Furniture, fixtures, office and computer equipments	6,924,608	11,307,314	279,901	143,085
Motor vehicles	13,450,550	18,032,875	1,954,871	890,593
Motor tracking devices	36,379,500	12,282,000	-	-
Leased Assets				
Leased vehicles	19,173,000	56,239,000	3,240,519	7,149,865
Leased office equipment	3,510,000	-	-	-
Capital Work in Progress	-	6,162,558	-	-
	155,451,955	106,998,138	5,475,291	8,183,544

The company has five primary business segments for reporting purpose namely fire, marine, motor, crop and miscellaneous. Assets and liabilities, wherever possible, have been assigned to the following segments based on specific identification or allocated on the basis of gross premium written by the segments. Assets and liabilities of window takaful operations have been disclosed separately as the requirements of Circular No.25 of 2015 issued dated July 09, 2015

	FIRE AND PROPERTY DAMAGE		MARINE AVIATION AND TRANSPORT		MOTOR		CROP		MISCELLANEOUS		TOTAL	
	June 30, 2015	Dec ,31 2015	June 30, 2015	Dec ,31 2015	June 30, 2015	Dec ,31 2015	June 30, 2015	Dec ,31 2015	June 30, 2015	Dec ,31 2015	June 30, 2015	Dec ,31 2015
	----- Rupees in thousand -----											
Segment assets-conventional business	890,697,968	936,808,985	279,478,145	455,648,515	641,994,942	466,519,720	347,613,715	211,155,526	489,452,452	521,897,398	2,301,623,506	2,380,874,618
Segment assets-takaful	15,425,591	6,704,880	2,840,007	2,968,604	16,176,163	14,890,030	-	-	2,445,717	6,241,448	36,888,478	30,804,962
Unallocated assets-conventional business											2,811,583,058	2,506,924,775
Unallocated assets-takaful											195,065,668	140,110,278
Total assets	726,750,182	802,888,172	244,382,141	434,988,860	593,656,555	496,911,539	273,477,911	194,994,370	542,100,133	481,953,072	2,106,889,032	2,216,741,643
Segment liabilities-conventional business	8,625,112	-	4,374,834	-	16,207,392	-	-	-	2,903,844	-	32,111,182	-
Unallocated liabilities-conventional business											598,461,992	515,889,306
Unallocated liabilities-takaful											22,628,158	41,838,275
Total Liabilities											2,760,090,364	2,774,469,224

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

13 EARNINGS PER SHARE

13.1 BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of shares as at the period end as follows:

	(Unaudited)			
	Three months period ended 30 June		Six months period ended 30 June	
	2016	2015	2016	2015
	Rupees	(Rupees)	Rupees	(Rupees)
Profit after tax for the period	114,812,049	52,033,524	281,754,088	216,809,296
	Number of shares		Number of shares	
Weighted average number of shares of Rs. 10/- each	180,320,000	180,320,000	180,320,000	180,320,000
	Rupees	(Rupees)	Rupees	(Rupees)
Earnings per share of Rs. 10/- each - basic and diluted (Restated)	0.64	0.29	1.56	1.20

13.2 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.

14 RELATED PARTY TRANSACTIONS

Related parties comprise 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 and compensation to key management personnel is on employment terms. The transactions and balances if any with related parties other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Transactions	Quarter ended		Six months period ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 31, 2015
	Rupees	Rupees	Rupees	Rupees
United Track System (Pvt.) Limited (Associated Company)				
Motor tracking devices	8,032,500	6,582,000	36,379,500	12,282,000
Device charges	16,739,565	16,605,184	38,321,389	26,013,008
Device monitoring charges	6,667,000	5,203,200	22,168,340	11,072,600
Rental income	150,000	126,000	300,000	300,000
Balance receivable / (payable)	(4,359,310)	3,671,997	(4,359,310)	3,671,997

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

Transactions	Quarter ended		Six months period ended	
	June 30,	June 30,	June 30,	June 31,
	2016	2015	2016	2015
	Rupees	Rupees	Rupees	Rupees
Apna Microfinance Bank Ltd. (Associated Company)				
Investment through Equity Shares	445,359,807	244,241,140	445,359,807	244,241,140
Bank deposits at period end	516,605	2,489,824	516,605	2,489,824
Investment through Fixed Deposits	2,500,000	79,171,920	2,500,000	79,171,920
Insurance premium received during the period	4,316,810	-	5,565,007	-
Insurance claims lodged	89,222,131	-	89,222,131	-
Key management personnel				
Remuneration of key management personnel	34,257,501	29,798,484	53,219,634	49,552,974
Loan to key management personnel	3,869,800	255,073	12,611,935	8,451,000
Staff retirement benefits plan				
Payable to defined benefits plan	67,426,075	1,772,122	67,426,075	68,497,587
Provision for gratuity during the period	4,620,719	5,336,553	9,649,945	11,281,813
Gratuity payments	890,500	292,600	4,506,950	508,600

15 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.

16 DATE OF AUTHORIZATION FOR ISSUE

The condensed interim financial information was authorized for issue in accordance with a resolution of board of directors of the company on August 30, 2016.

17 CORRESPONDING FIGURES

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



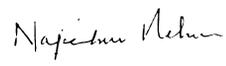
Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

**United
Window Takaful
Operations**

Director Report to the Members

The Directors of "The United Insurance Company of Pakistan Limited" take immense pleasure to present you with the half year ended June 30, 2016 report on window takaful operations of the company along with the (un-audited) interim financial information for the six months ended June 30, 2016.

Performance Overview (2nd Quarter)

The directors of The United Insurance Company of Pakistan Limited jubilantly announce that half yearly goals of window takaful operations set by the directors at the start of the fiscal year are successfully achieved. The following financial results is the evidence of the performance of window takaful operations during the period of six months.

- The increase of 7.18% in the Gross written contribution of Participants takaful fund from June 30, 2015 truly depict the honest and determined efforts of the window takaful management and the dedication and enthusiasm of the field staff. The Gross written contribution for the six months ended 30th June, 2016 reflects an increase of Rs.18.620 million from Rs.259.25 million in June 30, 2015 to Rs.277.870 million. The Company's net written contribution for the first six months of 2016 stands at Rs.95.220 million as against Rs.74.776 million in 2015, this shows an increase of 27.34% .
- The net rebate on re-takaful operations shows an increase of Rs.8.163 million from Rs.5.798 million in June 30, 2015 to Rs.13.961 million for the quarter ended June 30, 2016.
- The investments of participant takaful fund increased by Rs.92.561 million to Rs.97.711 million in 2nd quarter 2016 as against Rs.5.149 million in 2nd quarter 2015. Total investment income for the six months ended on June 30, 2016 comes to Rs.2.784 million.
- Cash and bank deposits increased from Rs.6.305 million in 2015 to Rs.11.577 million in 2016 reflecting an increase of Rs.5.272 million.
- The Operators' fund of the window takaful operations has earned total comprehensive income for the period of Rs.29.138 million up to June 30, 2016. Management expenses of the operator were tightly monitored during the six months of 2016 which resulted in decrease in expense of 3.05% as compared to last year.
- Investments of Operators' Fund increased by Rs.4.826 million, to Rs.20.446 million in June 30, 2016 from Rs.15.616 million in June 30, 2015.

Future Prospects

The management anticipates that Financial Year 2016 as a challenging year because of entrance of new window takaful operators in the market. Our Company will continue to strive and focus on its positive trends in growth of contribution (premium), market development and maintain its upward profitability to high ethical standard.

Future Activities

The company plans to develop and introduce new range of takaful products to facilitate its customers at their doorstep. This will help the company to capture more market share of takaful business.

Acknowledgement

We would extend our sincere appreciation and thanks to our valued Customers, Business Allies, SECP, Re-takaful companies, Banks and our dedicated employees for reposing there continued trust and support in UIC



Mohammed Rahat Sadiq

Chief Executive Officer

Date: **August 30, 2016**

اراکین کو ڈائریکٹرز کی رپورٹ۔ ونڈ وکافل آپریشنز

محترم سہ ماہی اراکین!

دی یونائیٹڈ انٹرنیشنل کمپنی آف پاکستان لمیٹڈ کے ڈائریکٹرز ونڈ وکافل آپریشنز کی پہلی ششماہی 2016 کے غیر جانبدار مالیاتی گوشوارے پیش کرتے ہوئے نہایت مسرت محسوس کر رہے ہیں۔

2016 کی پہلی ششماہی کی کارکردگی کا جائزہ:

دی یونائیٹڈ انٹرنیشنل کمپنی آف پاکستان لمیٹڈ کے ڈائریکٹرز بخوشی اعلان کرتے ہیں کہ ونڈ وکافل نے ششماہی اہداف کامیابی سے حاصل کر لیے ہیں۔ مندرجہ ذیل مالی اعداد و شمار ونڈ وکافل کی ششماہی کارکردگی کا مظہر ہیں:

☆ شراکتی وکافل فنڈ کے خام عطیات میں 7.18 فیصد نمایاں اضافہ ہوا ہے جو کہ صحیح معنوں میں ونڈ وکافل انتظامیہ اور فیلڈ سٹاف کی ایمانداری، لگن اور مسلسل کوششوں کا نتیجہ ہے۔ خام عطیات پہلی ششماہی 2016 میں 277.870 ملین روپے رہے جو کہ 2015 کی پہلی ششماہی میں 259.25 ملین روپے تھے۔ شراکتی وکافل فنڈ کے خاص عطیات پہلی ششماہی 2016 میں 27.34 فیصد اضافے سے 95.220 ملین روپے رہے جو کہ 2015 کی پہلی ششماہی میں 74.776 ملین روپے تھے۔

☆ پہلی ششماہی 2016 میں رینکافل کا خام ریپیٹ 8.163 ملین روپے اضافے سے 13.961 ملین روپے رہا جو کہ 2015 کے اسی عرصے میں 5.798 ملین روپے تھا۔

☆ پہلی ششماہی 2016 میں شراکتی وکافل فنڈ کی سرمایہ کاری 97.711 ملین روپے پہنچ گئی جو کہ 2015 کی پہلی ششماہی میں 92.561 ملین روپے تھی۔ پہلی ششماہی 2016 میں سرمایہ کاری میں مجموعی اضافہ 5.149 ملین روپے ہوا ہے جس کے نتیجے میں سرمایہ کاری سے حاصل شدہ آمدنی 2.784 ملین روپے رہی۔

☆ پہلی ششماہی 2016 میں شراکتی وکافل فنڈ کے نقد اثاثہ جات 5.272 ملین روپے اضافے سے 11.577 ملین روپے رہے جو کہ 2015 کے اسی عرصے میں 6.305 ملین روپے تھے۔

☆ رواں سال کی پہلی ششماہی میں ونڈ وکافل کے آپریٹرز فنڈ نے مجموعی طور پر 29.138 ملین روپے خاص منافع کمایا۔ ونڈ وکافل کے آپریٹرز فنڈ سے ہونے والے انتظامی اخراجات کوختی سے مانیٹر کیا گیا جس کی وجہ سے پہلی ششماہی 2016 کے انتظامی اخراجات میں پہلی ششماہی 2015 کی نسبت 3.05 فیصد کمی رہی۔

☆ آپریٹرز فنڈ کی سرمایہ کاری 4.826 ملین اضافے سے پہلی ششماہی 2016 میں 20.446 ملین روپے ہو گئی جو کہ 2015 کے اسی عرصے میں 15.616 ملین روپے تھی۔

مستقبل کا نقطہ نظر:

گزشتہ سالوں کی طرح کمپنی اس سال بھی مقرر کردہ اہداف کو حاصل کرنے میں ہر ممکن صلاحیت بروئے کار لائے گی۔ اور اپنی توجہ تیرہ کے اضافے، مارکیٹ کی نشوونما اور منافع کو برقرار رکھنے کی طرف مرکوز رکھے گی۔

مستقبل کی سرگرمیاں:

کمپنی اپنے کاروبار کی ضروریات اور سہولت کے مطابق وکافل کی نئی مصنوعات متعارف کروانے کا ارادہ رکھتی ہے۔ اس سے کمپنی، مارکیٹ میں وکافل کا مزید حصہ حاصل کرنے میں کامیاب ہو جائے گی۔

اعتراف:

آپ کے ڈائریکٹرز، کمپنی کے تمام حصص داروں، بیکریٹرز اینڈ ایگزیکٹو کمیشن آف پاکستان، بینکاروں اور کاروباری معاونین کی ہر درجہ میں کی گئی مسلسل حمایت کے بے حد مشکور ہیں۔ آپ کے ڈائریکٹرز اپنے ملازمین کی تمام تر کوششوں کو سراہتے ہیں۔



محمد راحت صادق

کمپنی کا سربراہ

مورخہ 30 اگست، 2016

United Window Takaful Operations

Financial Statements

For The Half Year Ended June 30, 2016

Independent Auditors' Report On Review

Of condensed interim financial information to the members

Introduction

We have reviewed the accompanying condensed interim balance sheet of **Window Takaful Operations of The United Insurance Company of Pakistan Limited** as at June 30, 2016 and the related:

- a) condensed interim profit and loss account;
- b) condensed interim statement of comprehensive income;
- c) condensed interim statement of changes in fund;
- d) condensed interim statement of cash flows;
- e) condensed interim statement of contributions;
- f) condensed interim statement of claims;
- g) condensed interim statement of expenses;
- h) condensed interim statement of investment income; and

notes forming part thereof for the six-month period then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures for the quarter ended June 30, 2016 and June 30, 2015 in condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of contributions, condensed interim statement of claims, condensed interim statement of expenses and condensed interim statement of investment income have not been reviewed by us as we are required to review only the cumulative figures for the half year ended June 30, 2016.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.



RSM AVAIS HYDER LIAQUAT NAUMAN

Chartered Accountants

Engagement Partner: Syed Ali Adnan Tirmizey

Place: Lahore

Date: **August 30, 2016**

Condensed Interim Balance Sheet (Un-Audited) as at June 30, 2016

Note	Unaudited			Audited	
	June 30, 2016	June 30, 2016	June 30, 2016	December 31, 2015	
	PTF	OPF	Consolidated	Consolidated	
-----Rupees-----					
OPERATORS' FUND (OPF)					
Statutory fund	5	-	50,000,000	50,000,000	50,000,000
Accumulated profit for the period		-	127,214,806	127,214,806	79,076,965
		-	177,214,806	177,214,806	129,076,965
WAQF/PARTICIPANTS' TAKAFUL FUND (PTF)					
Ceded money	6	500,000	-	500,000	500,000
Qarz e hasna		-	-	-	19,000,000
Accumulated deficit		(13,689,921)	-	(13,689,921)	(17,134,069)
		(13,189,921)	-	(13,189,921)	2,365,931
Underwriting provisions - (PTF)					
Provision for outstanding claims (including IBNR)		30,981,492	-	30,981,492	27,963,453
Contribution deficiency reserve		5,724,464	-	5,724,464	5,724,464
Reserve for unearned contribution		159,787,095	-	159,787,095	155,932,108
Reserve for unearned retakaful rebate		12,432,700	-	12,432,700	8,926,325
Total underwriting provisions		208,925,751	-	208,925,751	198,546,350
Deferred liabilities					
Staff retirement benefits	7	-	3,339,515	3,339,515	2,477,799
Creditors and accruals					
Amount due to other takaful/retakaful		12,047,163	32,111,182	44,158,345	37,911,744
Accrued expenses		-	241,860	241,860	5,797,018
Wakala fee payable		134,213,114	-	134,213,114	110,749,594
Other creditors and accruals		40,513,478	19,046,783	59,560,261	46,068,746
		186,773,755	51,399,825	238,173,580	200,527,102
TOTAL LIABILITIES		395,699,506	54,739,340	450,438,846	401,551,251
TOTAL FUND AND LIABILITIES		382,509,585	231,954,146	614,463,731	532,994,147
CONTINGENCIES & COMMITMENTS	8	-	-	-	-

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director

Condensed Interim Balance Sheet (Un-Audited)

as at June 30, 2016

Note	Unaudited			Audited
	June 30, 2016	June 30, 2016	June 30, 2016	December 31, 2015
	PTF	OPF	Consolidated	Consolidated
-----Rupees-----				
Cash and bank deposits				
Cash and other equivalent	-	184,951	184,951	14,545
Current and other accounts	9,532,141	1,561,467	11,093,608	37,088,331
Deposits maturing within 12 months	1,645,218	-	1,645,218	78,889,979
Deposits maturing after 12 months	400,000	1,174,000	1,574,000	2,296,500
	11,577,359	2,920,418	14,497,777	118,289,355
Investments	9	97,711,342	20,445,671	118,157,013
				26,418,548
Other assets				
Contribution due but unpaid	10	30,169,094	-	30,169,094
Amount due from other takaful/retakaful		111,851,589	-	111,851,589
Prepaid retakaful contribution ceded		61,799,544	-	61,799,544
Retakaful recoveries against outstanding claims		6,099,076	-	6,099,076
Deferred commission expense		-	36,888,478	30,804,962
Accrued investment income		586,659	284,860	871,519
Wakala fee receivable		-	134,213,114	110,749,595
Sundry receivables		2,160,697	16,269,375	18,430,072
		212,666,659	187,655,827	400,322,486
				332,839,389
Fixed assets-Tangibles				
	12			
Furniture, fixtures, office & computer equipment		-	19,152,557	19,152,557
Motor vehicles		-	1,779,673	1,779,673
Motor tracking devices -(PTF)		60,554,225	-	60,554,225
		60,554,225	20,932,230	81,486,455
				55,446,855
TOTAL ASSETS		382,509,585	231,954,146	614,463,731
				532,994,147

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Profit And Loss Account (Un-Audited) for the half year ended june 30, 2016

	For the quarter ended June 30, 2016				Unaudited	
	Fire and Property damage	Marine aviation and transport	Motor	Health and miscellaneous	Quarter ended June 30, 2016 Aggregate	Quarter ended June 30, 2015 Aggregate
	----- Rupees -----					
Participants' Takaful Fund Revenue Account						
Net contribution revenue	(4,681,227)	2,060,085	37,030,174	9,478,502	43,887,534	40,933,572
Net claims	(395,017)	(4,633,574)	(17,210,194)	(21,541,899)	(43,780,684)	(33,135,293)
Change in contribution deficiency reserve	-	-	-	-	-	-
Direct expenses	(2,267,575)	(1,024,614)	(4,272,124)	(596,826)	(8,161,139)	(2,088,547)
Net rebate on re-takaful	2,573,713	2,160,121	1,139,586	1,107,420	6,980,840	2,123,199
Underwriting results	(4,770,106)	(1,437,982)	16,687,442	(11,552,803)	(1,073,449)	7,832,931
Investment income					1,617,267	192,955
Other income					574,317	221,090
Surplus for the period					1,118,135	8,246,976
Operator's Revenue Account						
Wakala fee					70,068,996	64,958,351
Commission expense					(17,320,732)	(3,326,384)
Management expenses					(18,145,716)	(18,466,905)
					34,602,548	43,165,062
Investment income					520,610	657,599
Other income					25,462	39,947
Rental on car ijarah					(1,961,863)	
General & administration expenses					(5,841,955)	(4,592,208)
Profit for the period					27,344,801	39,270,400

Condensed Interim Profit And Loss Account (Un-Audited)

for the half year ended June 30, 2016

	For the half year ended June 30, 2016					
	Fire and Property damage	Marine aviation and transport	Motor	Health and miscellaneous	Unaudited	
					Half year ended June 30, 2016 Aggregate	Half year ended June 30, 2015 Aggregate
----- R u p e e s -----						
PTF Revenue Account						
Net Contribution revenue	(3,098,789)	4,564,209	70,747,502	23,007,095	95,220,017	74,776,290
Net claims	(11,199,869)	(8,307,331)	(25,876,509)	(44,741,498)	(90,125,207)	(56,627,203)
Change in contribution deficiency reserve	-	-	-	-	-	-
Direct expenses	(5,136,213)	(2,605,193)	(9,651,425)	(1,729,226)	(19,122,057)	(2,950,192)
Net rebate on re-takaful	4,602,407	4,327,363	2,221,644	2,810,444	13,961,858	5,798,441
Underwriting results	(14,832,464)	(2,020,952)	37,441,212	(20,653,185)	(65,389)	20,997,336
Investment Income					2,784,392	192,955
Other Income					725,145	406,319
Surplus for the period					3,444,148	21,596,610
Accumulated (deficit) / surplus						
Balance at the beginning of the period					(17,134,069)	941,108
Surplus for the period					3,444,148	21,596,610
Balance at the end of the period					(13,689,921)	22,537,718
Operator's Revenue Account						
Wakala fee					111,148,120	103,650,573
Commission expense					(34,376,940)	(10,994,790)
Management expenses					(35,668,261)	(36,790,734)
					41,102,919	55,865,049
Investment income					674,708	657,599
Other income					75,533	353,785
Rentals on car ijarah					(2,043,752)	-
General and administration expenses					(10,585,149)	(7,410,774)
Profit for the Period					29,224,259	49,465,659
Profit and loss appropriation account						
Balance at the beginning of the period					79,076,965	28,455,780
Return of qarz-e- hasna from Participants' takaful fund					19,000,000	-
Total comprehensive income for the period					29,137,841	50,492,168
Accumulated profit for the period					127,214,806	78,947,948

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



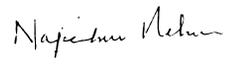
Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Comprehensive Income (Un-Audited) for the half year ended June 30, 2016

	Unaudited	
	June 30, 2016 Rupees	June 30, 2015 Rupees
OPERATORS' FUND		
Profit for the period	29,224,259	49,465,659
Other comprehensive income		
Acturial (loss)/ gain on staff gratuity	(86,418)	1,026,509
Total comprehensive income for the period	29,137,841	50,492,168

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Changes in Funds (Un-Audited)

for the half year ended June 30, 2016

	Participants' - takaful fund		
	Ceded Money	Accumulated surplus/(deficit)	Total
	----- Rupees -----		
Balance as at January 01, 2015	500,000	941,108	1,441,108
Surplus for the period	-	21,596,610	21,596,610
Balance as at June 30, 2015	500,000	22,537,718	23,037,718
Balance as at January 01, 2016	500,000	1,865,931	2,365,931
Qarz-e-hasna	-	(19,000,000)	(19,000,000)
Surplus for the period	-	3,444,148	3,444,148
Balance as at June 30, 2016	500,000	(13,689,921)	(13,189,921)

	Operators' fund		
	Statutory fund	Accumulated surplus/(deficit)	Total
	----- Rupees -----		
Balance as at January 01, 2015	50,000,000	28,455,780	78,455,780
Profit for the period	-	49,465,659	49,465,659
Other comprehensive income for the period	-	1,026,509	1,026,509
Total comprehensive income for the period	-	50,492,168	50,492,168
Balance as at June 30, 2015	50,000,000	78,947,948	128,947,948
Balance as at January 01, 2016	50,000,000	79,076,965	129,076,965
Profit for the period	-	29,224,259	29,224,259
Return of qarz-e- hasna from Participant's takaful fund	-	19,000,000	19,000,000
Other comprehensive loss for the period	-	(86,418)	(86,418)
Total comprehensive income for the period	-	48,137,841	48,137,841
Balance as at June 30, 2016	50,000,000	127,214,806	177,214,806

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



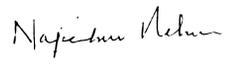
Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Cash Flows (Un-Audited)

for the half year ended June 30, 2016

	January 2016 to June 2016			January 2015 to June 2015
	PTF	OPF	Consolidated	Consolidated
----- Rupees -----				
Operating cash flows:				
a) Operating activities:				
Contribution received	274,210,610	-	274,210,610	201,089,353
Retakaful contribution paid	(110,133,197)	-	(110,133,197)	(66,145,670)
Claims paid	(131,731,658)	-	(131,731,658)	(80,775,181)
Retakaful and other recoveries received/ (paid)	35,635,266	-	35,635,266	(11,208,627)
Commission paid	-	(21,149,483)	(21,149,483)	(34,532,140)
Wakala fee (paid) / received	(111,148,120)	111,148,120	-	-
Retakaful rebate received	17,468,233	-	17,468,233	18,357,062
Net cash flows from underwriting activities	(25,698,865)	89,998,637	64,299,772	26,784,797
b) Other operating activities:				
General management expenses paid	(9,601,670)	(44,902,080)	(54,503,750)	(45,280,553)
Other operating receipts / (payments)	54,024,432	(40,477,168)	13,547,265	17,833,663
Net cash flows from other operating activities	44,422,762	(85,379,247)	(40,956,485)	(27,446,890)
Total cash flows from all operating activities	18,723,896	4,619,390	23,343,287	(662,093)
Investment activities:				
Investment income / (loss) received	2,368,146	389,848	2,757,994	850,554
Sale / (purchase) of investment & fixed deposits	5,951,967	(19,723,171)	(13,771,204)	(21,547,237)
Fixed capital expenditure	(32,530,330)	(3,580,309)	(36,110,639)	(26,108,855)
Net cash outflows from investing activities	(24,210,218)	(22,913,632)	(47,123,849)	(46,805,538)
Financing activities:				
Ijarah liability paid	-	(2,043,752)	(2,043,752)	-
Qarz e hasna	(19,000,000)	19,000,000	-	-
Net cash flows from financing activities	(19,000,000)	16,956,248	(2,043,752)	-
Net cash outflows from all activities	(24,486,320)	(1,337,994)	(25,824,315)	(47,467,631)
Cash and cash equivalents at the beginning of the period	34,018,463	3,084,413	37,102,876	61,048,844
Cash and cash equivalents at the end of the period	9,532,142	1,746,419	11,278,561	13,581,213

Condensed Interim Statement of Cash Flows (Un-Audited)

for the half year ended June 30, 2016

	January 2016 to June 2016			January 2015 to June 2015
	PTF	OPF	Consolidated	Consolidated
----- Rupees -----				
Reconciliation of profit and loss account				
Net cash flow from operating activities	18,723,896	4,619,390	23,343,286	(662,093)
Depreciation	(8,795,242)	(1,275,797)	(10,071,039)	(1,111,044)
Finance charges on ijarah rentals	-	(2,043,752)	(2,043,752)	-
Increase/(Decrease) in assets other than cash	26,717,634	59,064,358	85,781,992	262,288,566
(Increase)/Decrease in liabilities	(35,986,532)	(12,901,065)	(48,887,597)	(189,277,205)
Others				
Dividend income	-	-	-	339,268
Gain & other investment income	2,784,392	674,708	3,459,100	511,286
Profit for the period	3,444,148	48,137,841	51,581,990	72,088,778
Attributed to:				
Participants' takaful fund	3,444,148	-	3,444,148	21,596,610
Operator's fund	-	48,137,841	48,137,841	50,492,168
	3,444,148	48,137,841	51,581,989	72,088,778

Definition of cash

Cash for the purpose of the statement of cash flows comprises of cash in hand, bank balances and other assets which are readily convertible to cash and used for cash management for day to day business operations.

Cash for the purpose of cash flows comprises of:

Cash and other equivalents				
- Cash in hand	-	184,951	184,951	127,112
Current and other accounts				
- Bank balances	9,532,141	1,561,467	11,093,608	13,454,101
	9,532,141	1,746,418	11,278,559	13,581,213

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Contributions (Un-Audited) for the half year ended June 30, 2016

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Quarter ended June 30, 2016								Quarter Ended			
	June 30, 2016				June 30, 2015				June 30, 2015			
	Contribution written	Wakala fee	Net contribution	Unearned contribution reserve	Contribution earned	Re-takaful ceded	Prepaid re-takaful contribution	Re-takaful expense	Net contribution revenue			
			Opening	Closing			Opening	Closing				
----- R u p e e s -----												
Direct and facultative												
Fire and property damage	39,623,875	19,290,031	20,333,844	30,625,215	41,778,503	9,180,556	22,051,910	29,480,373	37,670,500	13,861,783	(4,681,227)	(723,499)
Marine, aviation and transport	18,565,712	9,265,075	9,300,637	9,992,036	8,133,076	11,159,597	12,381,731	2,908,646	6,190,865	9,099,512	2,060,085	9,152,524
Motor	74,592,911	35,285,389	39,307,522	95,754,849	92,620,407	42,441,964	7,817,958	9,519,142	11,925,310	5,411,790	37,030,174	13,254,027
Health and Miscellaneous	11,306,825	6,228,501	5,078,324	27,079,858	17,255,109	14,903,073	1,656,970	9,780,470	6,012,869	5,424,571	9,478,502	19,250,520
TOTAL	144,089,323	70,068,996	74,020,327	163,451,958	159,787,095	77,685,190	43,908,569	51,688,631	61,799,544	33,797,656	43,887,534	40,933,572

Condensed Interim Statement of Contributions (Un-Audited)

for the half year ended June 30, 2016

Class	Six months ended June 30, 2016										Six months ended June 30, 2015	
	Contribution written	Wakala fee	Net contribution	Unearned contribution reserve	Contribution earned	Re-takaful ceded	Prepaid re-takaful contribution	Re-takaful expense	Net contribution revenue			
			Opening	Closing			Opening	Closing				
----- R u p e e s -----												
Direct and facultative												
Fire and property damage	74,636,380	29,854,552	44,781,828	18,834,491	41,778,503	21,837,816	42,981,172	19,625,933	37,670,500	24,936,605	(3,098,789)	1,472,668
Marine, aviation and transport	37,857,107	15,142,842	22,714,265	8,126,801	8,133,076	22,707,990	18,199,022	6,135,624	6,190,865	18,143,781	4,564,209	11,649,639
Motor	140,248,737	56,099,496	84,149,241	90,272,244	92,620,407	81,801,078	15,738,554	7,240,332	11,925,310	11,053,576	70,747,502	16,819,945
Health and Miscellaneous	25,128,071	10,051,230	15,076,841	38,698,572	17,255,109	36,520,304	7,349,868	12,176,210	6,012,869	13,513,209	23,007,095	44,834,038
TOTAL	277,870,295	111,148,120	166,722,175	155,932,108	159,787,095	162,867,188	84,248,616	45,178,099	61,799,544	67,647,171	95,220,017	74,776,290

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Claims (Un-Audited) for the half year ended June 30, 2016

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Quarter ended June 30, 2016						Quarter ended June 30, 2015			
	Claims paid	Provision for Outstanding claims	Claims expense	Re-takaful and other recoveries received	Re-takaful and other recoveries in respect of outstanding claims	Re-takaful and other recoveries revenue	Net claims expenses			
	Opening	Closing	Opening	Closing	Opening	Closing				
----- R u p e e s -----										
Direct and facultative										
Fire and property damage	11,625,877	1,102,000	265,000	10,788,877	10,918,461	751,000	226,399	10,393,860	395,017	1,649,414
Marine, aviation and transport	12,779,785	3,302,915	320,138	9,797,008	5,210,349	201,994	155,079	5,163,434	4,633,574	6,552,254
Motor	11,058,319	11,441,480	16,351,139	15,967,978	(2,927,912)	3,659,786	5,345,482	(1,242,216)	17,210,194	1,954,611
Health and miscellaneous	19,051,172	13,338,881	14,045,215	19,757,506	2,460,009	4,616,518	372,116	(1,784,393)	21,541,899	22,979,014
TOTAL	54,515,153	29,185,276	30,981,492	56,311,369	15,660,907	9,229,298	6,099,076	12,530,685	43,780,684	33,135,293

Condensed Interim Statement of Claims (Un-Audited)

for the half year ended June 30, 2016

Class	Six months ended June 30, 2016				Six months Ended June 30, 2015					
	Claims paid	Provision for Outstanding claims	Claims expense	Re-takaful and other recoveries received	Re-takaful and other recoveries in respect of outstanding Claims	Re-takaful and other recoveries revenue	Net claims expenses			
	Opening	Closing	Opening	Closing	Opening	Closing				
----- Rupees -----										
Direct and facultative										
Fire and property damage	37,889,364	500,000	265,000	37,654,364	26,678,096	450,000	226,399	26,454,495	11,199,869	3,637,375
Marine, aviation and transport	17,366,075	400,000	320,138	17,286,213	9,023,803	200,000	155,079	8,978,882	8,307,331	8,880,793
Motor	22,615,774	6,941,230	16,351,139	32,025,683	2,830,956	2,027,264	5,345,482	6,149,174	25,876,509	3,350,510
Health and miscellaneous	53,860,445	20,122,223	14,045,215	47,783,437	9,476,571	6,806,748	372,116	3,041,939	44,741,498	40,758,525
TOTAL	131,731,458	27,963,453	30,981,492	134,749,697	48,009,426	9,484,012	6,099,076	44,624,490	90,125,207	56,627,203

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Expenses (Un-Audited) for the half year ended June 30, 2016

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Quarter ended June 30, 2016										Quarter ended June 30, 2015	
	Opening					Closing						
	Commission paid or payable	Deferred commission	Net commission expense	Direct expenses	Underwriting expenses	Rebate on re-takaful	Unearned re-takaful Rebate	Net rebate on re-takaful	Net takaful expense			
----- Rupees -----												
Direct & facultative												
Fire and property damage	8,793,798	11,064,344	15,426,691	4,431,551	2,267,575	6,699,126	4,187,433	5,359,544	6,973,264	2,573,713	4,125,413	534,877
Marine, aviation and transport	3,734,290	2,505,636	2,840,007	3,399,919	1,024,614	4,424,533	2,911,684	704,279	1,455,842	2,160,121	2,264,412	375,802
Motor	8,124,699	15,112,124	16,176,163	7,060,660	4,272,124	11,332,784	1,874,765	1,945,418	2,680,977	1,139,586	10,193,198	1,319,380
Health and Miscellaneous	667,040	4,207,279	2,445,717	2,428,602	596,826	3,025,428	372,777	2,057,641	1,322,998	1,107,420	1,918,008	1,061,673
TOTAL	21,319,827	32,889,383	36,888,478	17,320,732	8,161,139	25,481,871	9,346,659	10,066,882	12,432,701	6,980,840	18,501,031	3,291,732

Condensed Interim Statement of Expenses (Un-Audited)

for the half year ended June 30, 2016

Class	Six months ended June 30, 2016										Six months ended June 30, 2015	
	Opening					Closing					Net takatul expense	
	Commission paid or payable	Deferred commission	Net commission expense	Direct expenses	Underwriting expenses	Rebate on re-takaful	Unearned re-takaful Rebate	Net rebate on re-takaful	Net takatul expense			
----- Rupees -----												
Direct & facultative												
Fire and property damage	16,511,523	6,704,880	15,426,591	7,789,812	5,136,213	12,926,025	7,963,953	3,611,718	6,973,264	4,602,407	8,323,618	1,766,052
Marine, aviation and transport	7,106,711	2,988,604	2,840,007	7,235,308	2,605,193	9,840,501	4,320,242	1,462,963	1,455,842	4,327,363	5,513,138	1,445,854
Motor	14,792,780	14,890,030	16,176,163	13,506,647	9,651,425	23,158,072	3,544,420	1,357,821	2,680,597	2,221,644	20,936,428	2,201,648
Health and Miscellaneous	2,049,442	6,241,448	2,445,717	5,845,173	1,729,226	7,574,399	1,639,618	2,493,823	1,322,997	2,810,444	4,763,955	2,732,987
TOTAL	40,660,456	30,804,962	36,888,478	34,376,940	19,122,057	53,498,997	17,468,233	8,926,325	12,432,700	13,961,858	39,537,139	8,146,541

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Statement of Investment income (Un-Audited)

for the half year ended June 30, 2016

PARTICIPANTS' TAKAFUL FUND	Quarter Ended		Six Months Ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
	Rupees	Rupees	Rupees	Rupees
Income from non-trading investments:				
Available for sale				
Dividend income	-	173,318	-	173,318
Gain on sale of 'available for sale' investments	842,414	19,637	1,483,036	19,637
	842,414	192,955	1,483,036	192,955
Held to maturity				
Return on government securities	770,929	-	1,015,566	-
Return on fixed income securities and deposits	3,924	-	285,790	-
	774,853	-	1,301,356	-
Net investment income	1,617,267	192,955	2,784,392	192,955

OPERATORS' FUND	Quarter Ended		Six Months Ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
	Rupees	Rupees	Rupees	Rupees
Income from non-trading investments:				
Available for sale				
Dividend income	-	165,950	-	165,950
Gain on sale of 'available for sale' investments	235,750	491,649	389,848	491,649
	235,750	657,599	389,848	657,599
Held to maturity				
Return on government securities	284,860	-	284,860	-
	284,860	-	284,860	-
Net investment income	520,610	657,599	674,708	657,599

The annexed notes from 1 to 17 form an integral part of these condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

1 LEGAL STATUS AND NATURE OF BUSINESS

The United Insurance Company of Pakistan Limited was incorporated on October 20, 1959, as a Public Limited Company under the Defunct Companies Act, 1913, now the Companies Ordinance, 1984, and its shares are quoted on Pakistan Stock Exchange Limited. The Registered Office of the company is situated at 204, 2nd floor, Madina City Mall, Abdullah Haroon Road, Saddar, Karachi, and its Head Office is located in Lahore. The principal activity of the company is General Insurance Business and it qualifies as a domestic insurance company under Insurance Ordinance, 2000 and undertakes Fire, Marine, Motor and Miscellaneous General insurance.

The United Insurance Company of Pakistan Limited has been allowed to work as Window Takaful Operator (WTO) (hereinafter called "the operator") through License No.1 on August 18, 2014 by Securities and Exchange Commission of Pakistan under Takaful Rules, 2012 to carry on Islamic General Insurance in Pakistan. For the purpose of carrying on takaful business, the company has formed a Waqf/Participants' Takaful Fund (PTF) on June 09, 2014 under a trust deed. The trust deed governs the relationship of shareholders and policy holders for management of takaful operations. Company has not transacted any business outside Pakistan.

2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with the format of financial statements prescribed under Securities and Exchange Commission (Insurance) Rules, 2002, SEC (Insurance) Rules, 2002 issued vide S.R.O. 938 dated December 12, 2002 and Takaful Rules, 2012 read with Circular No. 25 of 2015 issued dated July 9, 2015.

These financial statements reflect the financial position and results of Window Takaful Operations of both the Operators' Fund (OPF) and the Participants' Takaful Fund (PTF) in a manner that assets, liabilities, income and expenses of the company and PTF remains separately identifiable.

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, provisions of and directives issued under the Companies Ordinance, 1984, Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and Takaful Rules, 2012 read with Circular No. 25 of 2015 dated July, 09 2015. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984, Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and Takaful Rules, 2012 shall prevail.

The SECP has allowed the insurance companies to defer the application of International Accounting Standard-39 (IAS-39) "Financial Instruments: Recognition and Measurement" in respect of valuation of 'available-for-sale investments'. Accordingly, the requirements of IAS-39, to the extent required by SECP as aforesaid, have not been considered in the preparation of these financial statements.

2.2 BASIS OF MEASUREMENT

The financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below e.g. certain obligations under employee retirement benefits which are measured at present value. Historical cost is generally based on the fair value of the consideration given in exchange for assets

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Pakistani Rupees which is the operator's functional currency and presentation currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupee, unless otherwise stated.

Condensed Interim Notes To The Financial Statements (Un-Audited) for the half year ended June 30, 2016

2.4 USE OF 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 judgements 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, 2015.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of the condensed interim financial report as at June 30, 2016 are the same as those adopted in the preparation of the financial statements for the year ended December 31, 2015.

3.1 NEW AMENDED AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS OF IFRSS

The company has adopted the following amendments and annual improvements to IFRSs, which became effective for the current period:

- Intangible Assets: (Amendments to IAS 38);
- Property, Plant and Equipment: (Amendments to IAS 36)
- Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10- Consolidated Financial Statements and IAS 28- Investment in Associates and Joint Ventures)
- Separate Financial Statements (Amendments to IAS 27)
- Annual Improvements to IFRSs 2012-2014 Cycle

The adoption of above amendments and improvements did not have any effect on the financial statements.

3.2 NEW AMENDED AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS AND INTERPRETATIONS OF IFRSS

The company maintains a provision in respect of contribution deficiency for the class of business where the unearned contribution liability is not adequate to meet the expected future liability after re-takaful, from claims and other supplementary expenses, expected to be incurred after the balance sheet date in respect of the unexpired participant membership document in that class of business at the balance sheet date. The movement in the contribution deficiency reserve is recorded as an expense / income in profit and loss account.

No further provision for the current half year period is made as the unearned contribution reserve for each class of business at the reporting date is adequate to meet the expected future liability after re-takaful from claims and other expenses, expected to be incurred after the reporting date in respect of takaful contracts in force at reporting date.

4 MANAGEMENT OF TAKAFUL AND FINANCIAL RISK

The WTO's takaful and financial risk management objectives and policies are consistent with those of the Operator and are disclosed in the annual financial statements of the Operator as at and for the year ended December 31, 2015.

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

		Unaudited	Audited
	Note	June 30, 2016	December31, 2015
		Rupees	Rupees
5	STATUTORY RESERVES		
	Statutory reserves	50,000,000	50,000,000

- 5.1** Amount of Rs 50 million is deposited as statutory reserves to comply with provisions of para 4 of Circular No. 8 of 2014 read with section 11(c) of Takaful Rules, 2012 issued by Securities and Exchange Commission of Pakistan which states that "Every insurer who is interested to commence window takaful business shall transfer an amount of not less than 50 million Rupees to be deposited in a separate bank account for window takaful business duly maintained in a scheduled bank" .

6 CEDED MONEY

	Waqf money	6.1	500,000	500,000
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- 6.1** The amount of Rs.500,000/- has been set a part for Waqf Fund/Participant's Takaful Fund as waqf money according to the Waqf deed prepared for the purpose of creation of Waqf Fund/ Participant's Takaful Fund.

7 DEFERRED LIABILITIES

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

8 CONTINGENCIES AND COMMITMENTS

8.1 CONTINGENCIES

There is no change in the status of contingent liabilities since the end of last annual reporting period ended December 31, 2015.

8.2 COMMITMENTS

There is no change in the status of commitments since the end of last annual reporting period ended December 31, 2015.

Condensed Interim Notes To The Financial Statements (Un-Audited) for the half year ended June 30, 2016

	Note	Unaudited June 30, 2016 Rupees	Audited December31, 2015 Rupees
9 INVESTMENTS			
Available for sale - PTF	9.1	3,500,000	6,098,548
Held to maturity - PTF	9.2	94,211,342	20,320,000
		97,711,342	26,418,548
Held to maturity - OPF	9.3	20,445,671	-
9.1 AVAILABLE FOR SALE			
Nafa Islamic Aggressive Income Fund		3,500,000	6,098,548
Less: Provision for impairment in value of investment			-
		3,500,000	6,098,548
Market value of available for sale investment is Rs. 3,500,000/- (December 31, 2015 is Rs.6,130,291/-)			
9.2 HELD TO MATURITY - PTF			
Sukuk Funds		94,211,342	-
		94,211,342	-
Marker value of sukuk bond is considered to be approximately the same as its cost.			
9.3 HELD TO MATURITY - OPF			
Sukuk Funds		20,445,671	-
Marker value of sukuk bond is considered to be approximately the same as its cost.			
10 CONTRIBUTION DUE BUT UNPAID-PTF (UN-SECURED)			
Considered good		30,169,094	26,509,409
		30,169,094	26,509,409

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

11 ADDITIONS/ DELETIONS (TRANSFERS) IN FIXED ASSETS-OPF

Following are the major additions at cost and deletions at net book value in fixed assets:

	Additions (at cost)		Deletions (at net book value)	
	June 30,2016	June 30, 2015	June 30,2016	June 30, 2015
	(Rupees)		(Rupees)	
Tangible Owned Assets (OPF)				
Furniture, fixtures, office and computer equipments	1,698,559	15,192,855	-	-
Motor vehicles	1,881,750	-	-	-
	3,580,309	15,192,855	-	-

12 ADDITIONS/ DELETIONS (TRANSFERS) IN FIXED ASSETS-PTF

Following are the major additions at cost and deletions at net book value in fixed assets of PTF:

	Additions (at cost)		Deletions (at net book value)	
	June 30,2016	June 30, 2015	June 30,2016	June 30, 2015
	(Rupees)		(Rupees)	
Tangible Owned Assets (PTF)				
Motor tracking devices	32,530,330	10,916,000	-	-
	32,530,330	10,916,000	-	-

Condensed Interim Notes To The Financial Statements (Un-Audited) for the half year ended June 30, 2016

13 SEGMENT REPORTING

The company has four primary business segments for reporting purpose namely fire, marine, motor and miscellaneous.

Assets and liabilities, wherever possible, have been assigned to the following segments based on specific identification or allocated on the basis of gross contribution written by the segments.

	FIRE				MARINE				MOTOR				HEALTH AND MISCELLANEOUS				Un-audited		Audited	
	June, 30	Dec, 31	June, 30	Dec, 31	June, 30	Dec, 31	June, 30	Dec, 31	June, 30	Dec, 31	June, 30	Dec, 31	June, 30	Dec, 31	June, 30	Dec, 31	June, 30	Dec, 31		
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015		
	----- Rupees -----																			
Participants' takaful fund																				
Segment assets	76,043,868	35,147,826	25,694,871	21,437,223	88,952,515	68,003,927	19,228,049	56,059,972	209,919,303	180,648,948										
Unallocated assets									172,590,282	181,429,959										
									382,509,585	362,078,907										
Operators' fund																				
Segment assets	15,426,591	6,704,880	2,840,007	2,968,604	16,176,163	14,890,030	2,445,717	6,241,448	36,888,478	30,804,962										
Unallocated assets									195,065,668	140,110,278										
									231,954,146	170,915,240										
Total assets									614,463,731	532,994,147										
Participants' takaful fund																				
Segment liabilities	52,252,653	27,481,617	11,550,363	14,534,111	117,732,675	116,246,132	33,712,758	78,196,234	215,248,449	236,458,094										
Unallocated liabilities									180,451,057	123,254,882										
									395,699,506	359,712,976										
Operators' fund																				
Segment liabilities	8,625,112	-	4,374,834	-	16,207,392	-	2,903,844	-	32,111,182	-										
Unallocated liabilities									22,628,158	41,838,275										
									54,739,340	41,838,275										
Total Liabilities									450,438,846	401,551,251										

Condensed Interim Notes To The Financial Statements (Un-Audited)

for the half year ended June 30, 2016

14 RELATED PARTY TRANSACTIONS

Related parties comprise 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 & conditions and compensation to key management personnel is on employment terms. The transactions and balances if any with related parties other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	Quarter ended		Six months period	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
United Track System (Pvt.) Limited (Associated Company)				
Motor tracking devices	51,395,395	10,238,100	60,554,225	10,916,000
Devices monitoring charges	2,745,575	1,715,358	10,242,480	2,431,848
Balance receivable / (payable)	(23,437,456)	7,301,120	(23,437,456)	7,301,120
Key management personnel				
Remuneration of key management personnel	2,069,350	-	11,009,100	-
Staff retirement benefits plan				
Payable to defined benefit plan	(3,339,515)	-	(3,339,515)	-
Provision for gratuity during the period	2,275,298	-	2,275,298	-
Gratuity payments	1,500,000	-	1,500,000	-

15 FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended December 31, 2015.

16 DATE OF AUTHORIZATION FOR ISSUE

The condensed interim financial information was authorized for issue in accordance with a resolution of board of directors of the company on August 30, 2016.

17 CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged, wherever necessary to conform with the current classification, however, there are no material re-classification to report.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Ch. Najeeb-Ur-Rehman
Chairman

UIG HOUSE

2nd Floor, 6-D, Upper Mall, Lahore

UAN: (92-42) 111-000-014

T: (92-42) 35776475-85

F: (92-42) 35776486-87

E: uicp@theunitedinsurance.com



www.theunitedinsurance.com