

3rd Quarter Report 2017

57 years of Excellence



Rated **AA-** by PACRA

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman	Javaid Sadiq
Director /President	Khawas Khan Niazi
Chief Executive Officer	Mohammed Rahat Sadiq
Directors	Huma Waheed Agha Ali Imam Chaudhary Najeeb-ur-Rehman Taseer Yousaf Makhdoom
Advisor to Board	Mian M.A.Shahid (Chairman UIG)
Advisors	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 Chief Internal Auditor Auditors	Maqbool Ahmed Abdul Mannan Munir M/S. Ilyas Saeed & Co. 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 AA-(Double A Minus) The Rating Denotes a very strong capacity to meet policyholder and contract obligations. Risk factors are modest, and the im- pact of any adverse business and economic factors is expected to be very small.
Company's Share Registrar	M/S. F.D.Registrar Services(SMC-Pvt) Ltd. 1705,17th Floor, Saima Trade Center, I.I.Chundrigar Road-Karachi.

CORPORATE INFORMATION

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 UAN: 92-42-111-000-014 FAX: 92-42-35776486, 35776487 Email: uicpl@theunitedinsurance.com

COMMITTEES COMPOSITION

Underwriting Committee:

Category	Names
Chairman	Mr. Taseer Yousaf Makhdoom
Member	Mr. Mohammed Rahat Sadiq
Member	Mr. S.M. Qaisar Imam
Member	Mr. Tajammal Iqbal
Secretary	Mr. Fahad Butt

Audit Committee:

Category	Names
Chairman	Mr. Agha Ali Imam
Member	Mr. Taseer Yousaf Makhdoom
Member	Mr. Khawas Khan Niazi
Member	Mr. Maqbool Ahmed
Secretary	Mr. Abdul Mannan Muneer

Claims Settlement Committee:

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

Reinsurance & Co-insurance Committee:

Category	Names
Chairman	Mr. Khawas Khan Niazi
Member	Mr. Najeeb-ur-Rehman
Member	Mr. Mohammed Rahat Sadiq
Member	Mr. Abrar Ahmed Minhas
Member	Mr. Amir Hameed
Secretary	Mr. Tayyab Bashir

Risk Management & Compliance Committee:

Category	Names
Chairman	Mr. Javaid Sadiq
Member	Mr. Mohammed Rahat Sadiq
Member	Ms. Huma Waheed
Member	Mr. Syed Rahat Ali Shah
Member	Mr. Tayyab Bashir
Secretary	Mr. Saad Munir

Ethics, Human Resource & Remuneration Committee:

Category	Names
Chairman	Mr. Javaid Sadiq
Member	Mr. Mohammed Rahat Sadiq
Member	Mr. Taseer Yousaf Makhdoom
Member	Mr. Athar A. Khan
Secretary	Mr. Wakeel Ahmad Mirza

Investment Committee:

Category	Names
Chairman	Mr. Agha Ali Imam
Member	Mr. Khawas Khan Niazi
Member	Mr. Mohammed Rahat Sadiq
Member	Ms. Huma Waheed
Member	Mr. Tajammal Iqbal
Secretary	Mr. Maqbool Ahmed

KEY MANAGEMENT PERSONNEL

Conventional Business

Head of Conventional Business	Tajammal Iqbal
Sr. Executive Director Underwriting	S.M. Qaiser Imam
Sr. Executive Director/Group Country Manager	Dr. Murtaza Mughal
Head of Corporate Compliance	Syed Rahat Ali Shah
Sr. General Manager Re-Insurance	Abrar Ahmed Minhas
Joint Director Operation	Tayyab Bashir
General Manager HR & R	Wakeel Ahmed Mirza
General Manager (I.T)	Munir Ahmed
General Manager Health/Travel	Kashif Shafique
General Manager Administration	Jamil Ahmed
Deputy General Manager Claims	Kamran Zaman
A.G.M Underwriting	Manzoor Hussain Mirza
A.G.M Reinsurance	Naeem Ahmed Babar
Chief Manager (Web)	Mohammed Arshad
Chief Manager (Agri)	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	Malik Saad Munir

KEY MANAGEMENT PERSONNEL

Executive Directors (Marketing)

Mohammad Rafique Khan
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
Ch. Shamas-ul-haq
Kh. Adnan Hassan
Mohammed Mazhar Shah

Joint Directors (Marketing)

Aslam Rajpoot
Mohammed Naseem Butt
Khurram Mansoor
Malik Zafar Yousaf
Mian Mohammed Rafi
Tanveer Ahmad Bhatti
Faisal Javaid
Mohammed Mohsin ullah
Chaudhary Iqbal Tahir
Zafar Mahmood
Syed Ahmad Ali
Nauman-ul-Haq
Hassan Bin Daud
Malik Azhar Hussain
Mujeeb-ur-Rehman Khokhar
Zahid Mukhtar Paracha
Mian Muhammad Asif

BANKERS & LEASING COMPANIES

Banks

State Bank of Pakistan
 National Bank of Pakistan
 Bank Al-Habib Limited
 Soneri Bank Limited
 Bank Alfalah Limited
 Meezan 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
 Dubai Islamic Bank Pakistan Limited
 Faysal Bank Limited
 Standard Chartered Bank (Pakistan) Limited
 Barclays Bank PLC, Pakistan
 Habib Metropolitan Bank Limited
 Karakoram Cooperative Bank Limited
 Industrial Development Bank of Pakistan
 JS Bank Limited
 Bank Islami Limited
 Bank of Azad Jammu and Kashmir

Leasing Companies

Orix Leasing Company Limited
 Crescent Standard Modaraba

Micro Finance Banks

APNA Microfinance Bank Limited
 Khushhali Microfinance Bank Limited
 Pak-Oman Microfinance Bank Limited
 The First Microfinance Bank Limited
 Waseela Microfinance Bank Limited
 U Microfinance Bank Limited
 Tameer Microfinance Bank Limited
 NRSP Microfinance Bank Limited

DIRECTOR'S REPORT TO THE MEMBERS

Dear Fellow Members!

The Directors of The United Insurance Company of Pakistan Limited are pleased to present to its shareholders, the third quarter report along with the interim (un-audited) financial statements of the Company for the nine months ended September 30, 2017.

Performance Overview Conventional - (3rd Quarter)

The Management of the United Insurance Company of Pakistan Limited is pleased to announce and that they were able to achieve the quarterly targets which the Directors had set at the beginning of the financial year 2017. It is evident from the financial data that the company performance accelerated during the period of nine months. . The increase of 15.02% in the Gross Written Premium reflects the persistent efforts of the Company's management, dedication and enthusiasm of its field staff. The Gross Written Premium for the Third quarter was up from Rs. 3,011.28 million in 2016 to Rs. 3,463.59 million in 2017. The Company's net premium income for the third quarter stands at Rs. 2,330.21 millions.

The underwriting results show an decrease of 1.88% from Rs. 654.19 million in Sep 2016 to Rs. 641.86 million in Sep 2017.

The Company's Profit before tax decreased by 5.12% from Rs. 573.03 million in first nine months of 2016 to Rs. 543.76 million for the same period in 2017. Profit after tax came to Rs.422.80 million in 2017 as against Rs. 508.81 million in Sep 2016.

Earnings per share (basic & diluted) of the Company, for the period decreased in 2017 to Rs.2.11 per share as against to Rs. 2.54 per share for the same period in Sep 2016.

The investments income escalated to around 7.22%. The investments income during the year 2017 were up to Rs. 69.42 million from Rs. 64.74 million in Sep 2016.

Performance Overview Takaful Operations - (3rd Quarter)

The directors of The United Insurance Company of Pakistan Limited are pleased to announce that Nine months targets of Window Takaful Operations set by the directors at the beginning of the fiscal year are successfully achieved. The following financial data reflects the performance of Window Takaful operations during the nine months ended on September 30, 2017.

We have a significant increase of 130.14% and 107.30% in the Gross written contribution and Net contribution of Participants Takaful fund respectively from September 30, 2016. The above reflects true efforts of Window Takaful management and the dedication and enthusiasm of the field staff. The Gross written contribution for the nine months increased from Rs.361.051 million in September 30, 2016 to Rs.830.927 million for the period ended on September 30, 2017. The Company's net written contribution increased by Rs.307.814 million and stands at Rs.594.691 million as against Rs.286.877 million in the same period of 2016.

- The investments of participant Takaful fund increased from Rs.26.418 million in December 31, 2016 to Rs.175.938 million as at nine months ended on September 30, 2017. Total investment income for the nine months ended on September 30, 2017 came to Rs.3.536 million.
- The Operators' fund of the window Takaful operations has earned profit of Rs.194.979 million for the nine months ended on September 30, 2017 as compared to Rs.26.931 million in September 30, 2016 which shows drastic increase of Rs.168.048 million.
- General and admin expenses of the operator increased from Rs.18.253 million in September 30, 2016 to Rs.18.590 million for the nine months ended on September 30, 2017 which resulted in increase of only 1.85% as compared to Nine months of 2016.
- The investments of Operators fund stands at Rs.38.668 million for the nine months ended on September 30, 2017. Total investment income of Operators Fund for the nine months ended on September 30, 2017 came to Rs.1.128 million.

Future Outlook

CPEC project has started showing its positive impacts on the economy of the Pakistan. New power plants using Coal and LNG are installed and has started working to reduce electricity crises. Pakistan's economic outlook is quite bright. Despite of falling exports and remittances, economy is supported by oil sector, CPEC and better security situation of the country. The insurance sector is also confident of growth being spurred by rising customer needs and confidence. The Company will continue to focus its momentum of growth in premium while at the same time maintaining profitability of decent standard.

Acknowledgement

We wish to thank our valued customers for their faith in our products and services and sincerely hope that they will continue this patronage, support and confidence reposed on us. We also take this opportunity to thank our bankers and regulatory bodies for providing us with their valuable support throughout this period.

Finally we wish to thank our staff whose dedication and commitment has been a source of strength for the Company.

For and on behalf of the Board



Mohammed Rahat Sadiq

Chief Executive Officer

Date: October 27, 2017

ممبرز کو ڈائریکٹرز رپورٹ

محترم اراکین!

دی یونائیٹڈ انشورنس کمپنی آف پاکستان لینڈ کے ڈائریکٹرز 2017 کی تیسری سہ ماہی کی جائزہ رپورٹ اونوماہ کے غیر جانبداری مابین مابقی معلومات پیش کرتے ہوئے نہایت سرت صحت سے پیش کر رہے ہیں۔

2017 کی تیسری سہ ماہی میں روایتی کاروباری کارکردگی کا جائزہ:

دی یونائیٹڈ انشورنس کمپنی آف پاکستان لینڈ کی انتظامیہ نہایت خوشی سے یہ اعلان کرتی ہے کہ ہم نے تیسری سہ ماہی کے اہداف کو حاصل کر لیا ہے جو کہ ڈائریکٹرز نے اس سال کے ابتدا میں مقرر کیے تھے۔ نومبر کے مابین اعداد و شمار کمپنی کی تیز رفتاری کا مظہر ہیں۔ کمپنی کے خاتمہ میں 15.02 فیصد اضافہ کمپنی کی عزم انتظامی امور اور فیلڈ سٹاف کی انتھک محنت اور مسلسل حوصلہ افزائی کی عکاسی کرتا ہے۔ 2017 کی تیسری سہ ماہی میں کمپنی کا خاتمہ بیزنس ماہوں میں اضافہ کے ساتھ 3,463.59 ملین روپے پر جا چکے سال 2016 میں 3,011.28 ملین روپے تھا۔ کمپنی کی خالص بیزنس حاصل کردہ آمدنی 2017 کی تیسری سہ ماہی میں 2,330.21 ملین روپے پر پہنچ گئی ہے۔

- ☆ کمپنی کے ذمہ داریوں میں ستمبر 2017 کے اختتام پر 1.88 فیصد کمی سے 641.86 ملین روپے جو کہ پچھلے سال 2016 میں 654.19 ملین روپے تھے۔
- ☆ کمپنی کا نقل و حرکت منافع نومبر میں 5.12 فیصد کمی سے 543.76 ملین روپے پر جا چکا ہے جو کہ 2016 کے پہلے نومبر میں 573.03 ملین روپے تھا۔ مزید برآں بعد از منافع 2017 کے نومبر میں 422.80 ملین روپے پر جا چکا ہے جو کہ 2016 میں 508.81 ملین روپے تھا۔
- ☆ فی شخص منافع 2017 کے نومبر میں 2.11 روپے پر جا چکا ہے جو کہ 2016 میں 2.54 روپے تھا۔
- ☆ کمپنی کی سرمایہ کاری آمدنی میں 7.22 فیصد اضافہ ہوا۔ 2017 کے نومبر میں سرمایہ کاری آمدنی 69.42 ملین روپے رہی جو کہ 2016 کے اسی عرصہ میں 64.74 ملین روپے تھی۔

2017 کی تیسری سہ ماہی میں وٹھ دکان کاروباری کارکردگی کا جائزہ:

دی یونائیٹڈ انشورنس کمپنی آف پاکستان لینڈ کے ڈائریکٹرز یہ بتانے میں خوش حوس کر رہے ہیں کہ 2017 کے نومبر میں دکان کاروبار کے اہداف کامیابی سے حاصل کرنے میں مدد و جذبہ ملی اعداد و شمار وٹھ دکان کی نومبر کی کارکردگی کا مظہر ہیں۔

دکان کاروبار کی خالص آمدنی اور خالص اعانت میں بائربل 130.14 اور 107.30 ملین روپے میں آیا ہے جو کہ وٹھ دکان کی انتظامیہ اور فیلڈ سٹاف کی ایمانداری، مسلسل اور بھرپور کارکردگی کا نتیجہ ہے۔ دکان کاروبار کی خالص اعانت 2017 کے نومبر میں 830.927 ملین روپے رہی جو کہ 2016 کے اسی عرصہ میں 361.051 ملین روپے تھی۔ 2017 کے نومبر میں دکان کاروبار کی خالص اعانت 307.814 ملین روپے اضافے سے 594.691 ملین روپے رہی جو کہ پچھلے سال 2016 کے اسی عرصہ میں 286.877 ملین روپے تھی۔

- ☆ سال 2017 کے نومبر میں دکان کاروبار کی سرمایہ کاری 175.938 ملین روپے رہی جو کہ دسمبر 2016 تک 26.418 ملین روپے تھی۔ دکان کاروبار کی سرمایہ کاری آمدنی 30 ستمبر 2017 کو 3.536 ملین روپے رہی۔
- ☆ سال 2017 کے نومبر میں وٹھ دکان کاروبار کی آمدنی نمایاں اضافے سے 194.979 ملین روپے رہی جو کہ 2016 کے اسی عرصہ میں 26.931 ملین روپے تھی۔
- ☆ سال 2017 کے نومبر کے عمومی اور انتظامی اخراجات میں 2016 کے اسی عرصہ کی نسبت 1.85 فیصد اضافہ ہوا جس وجہ سے سال 2017 میں اخراجات 18.590 ملین روپے پر پہنچ گئے جو کہ 30 ستمبر 2016 کو 18.253 ملین روپے تھے۔
- ☆ سال 2017 کے نومبر میں وٹھ دکان کاروبار کی سرمایہ کاری اضافے کے ساتھ 38.668 ملین روپے رہی۔ آپریٹنگ فنڈ کی سرمایہ کاری آمدنی 30 ستمبر 2017 کو 1.128 ملین روپے رہی۔

مستقبل کے نقطہ نظر:

ہم ایک مضبوط بنیاد پر پاکستان کی معیشت پر مثبت اثرات دکھانا شروع کر رہے ہیں، بجلی بحران کے خاتمے کے لئے کوششیں اور این جی سے چلنے والے پاور پلانٹ نہ صرف تعمیر ہو چکے ہیں بلکہ انہوں نے کام بھی شروع کر دیا ہے۔ پاکستانی معیشت کی نمو شاندار ہے۔ برآمدات اور غیر ملکی سرمایہ زرمیں کمی کے باوجود پاکستان کی معیشت کو آئل سیکٹرز پر تکیہ اور مثبت سیکورٹی صورتحال نے سہارا دیا ہے۔ صرافین کے اعتماد اور بیزنس روایات میں اضافے سے انشورنس کی صنعت میں بھی نمو متوقع ہے۔ کمپنی اپنے منافع اور بیزنس میں اضافے کی شرح کو برقرار رکھنے کے لئے کوشاں رہے گی۔

اعتراف:

ہم اپنے قابل قدر صارفین کے تہدول سے شکر گزار ہیں کہ انہوں نے ہماری مصنوعات پر بھروسہ کیا اور مسلسل دلچسپی دکھائی۔ اور ہم بیزنس میں ترقی دیکھنے میں بہت مسرت ہیں کہ وہ ہم پر اعتماد اور بیزنس روایات میں اضافے اور بھروسہ جاری رکھے گے۔ ہم بیکاروں اور مضابطہ اداروں کے منتقلی تعاون پر ان کے شکر گزار ہیں۔

آخر میں ہم اپنے ملازمین کے شکر گزار ہیں جن کی پرعزم لگن اور انتھک محنت کمپنی کی کامیابی کا باعث ہے۔

یو ڈی کی جانب سے



محمد راحت صادق

کمپنی کا سربراہ

مورخہ 127 اکتوبر 2017

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Condensed Interim Financial Statements

For The Nine Months Period Ended September 30, 2017

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2017 (Un-Audited)

	Note	Un-Audited September 30, 2017 Rupees	Audited December 31, 2016 Rupees
Equity and Liabilities			
Capital and reserve attributable to Company's equity holders			
Ordinary share capital	18	2,001,552,000	1,803,200,000
Share premium		-	-
Reserves	19	75,115,917	75,115,917
Unappropriated profit		723,642,156	677,076,606
Total Equity		2,800,310,073	2,555,392,523
Surplus on revaluation of fixed assets			
		81,315,482	81,941,687
Total liabilities in window takaful operations			
	12 A	67,537,748	60,293,684
Liabilities			
Underwriting provisions			
Provision for outstanding claims (including IBNR)	25	1,200,736,125	791,222,496
Unearned premium reserves	24	1,558,891,168	1,490,001,500
Premium deficiency reserve		-	1,696,000
Unearned re-insurance commission	26	93,667,466	83,462,765
Retirement benefit obligations	14	12,603,640	58,683,316
Deferred taxation	15	19,258,466	14,332,308
Borrowings	20	82,904,687	80,605,304
Premium received in advance		-	-
Insurance / Reinsurance payables	21	48,581,376	146,211,061
Other Creditors and Accruals	22	136,511,482	85,031,576
Taxation - Provision less payments		26,878,572	17,705,603
		3,180,032,982	2,768,951,929
TOTAL LIABILITIES		3,247,570,730	2,829,245,613
TOTAL EQUITY AND LIABILITIES		6,129,196,285	5,466,579,823
Contingency(ies) and Commitment(s)	23	-	-

The annexed notes from 1 to 40 form an integral part of this condensed interim financial information.



Khawas Khan Niazi
Director / President



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the Quarter and Nine Months Period Ended September 30, 2017 (Un-Audited)

	Note	Quarter Ended		Nine Months Ended	
		September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
		Aggregate	Aggregate	Aggregate	Aggregate
----- Rupees -----					
Net insurance premium	24	689,442,741	773,470,022	2,330,210,018	2,004,272,880
Net insurance claims	25	(328,533,451)	(210,632,719)	(1,078,465,783)	(743,261,813)
Premium deficiency change		-	-	1,696,000	-
Net Commission and other acquisition costs	26	(61,285,989)	(128,472,816)	(177,608,288)	(208,999,691)
Insurance claims and acquisition expenses		(389,819,440)	(339,105,535)	(1,254,378,071)	(952,261,504)
Management expenses	27	(137,461,500)	(138,107,964)	(433,968,080)	(397,821,279)
Underwriting results		162,161,801	296,256,523	641,863,867	654,190,097
Investment income	28	1,485,674	16,419,057	69,415,814	64,743,773
Rental income	29	573,000	232,000	1,831,078	928,000
Other income	30	8,494,000	221,569	26,387,116	8,644,657
Other expenses	31	(123,861,378)	(52,909,946)	(295,534,157)	(184,239,661)
Results of operating activities		(113,308,704)	(36,037,320)	(197,900,149)	(109,923,231)
Finance cost	32	(4,106,162)	(2,269,435)	(12,431,952)	(8,884,855)
Share of (loss) / profit from associate	8	28,984,662	(8,857,866)	(82,275,259)	10,588,034
Profit from window takaful operations	12A	152,692,648	(2,163,380)	194,499,671	27,060,879
Profit / (loss) before tax for the period		226,424,245	246,928,522	543,756,178	573,030,924
Income tax expense	33	(83,304,923)	(19,875,418)	(120,953,763)	(64,223,733)
Profit after tax for the period		143,119,322	227,053,104	422,802,415	508,807,191
Other comprehensive income for the period					
Actuarial (loss) / gain on defined benefit plan		1,318,357	89,504	1,942,197	475,428
Incremental depreciation net of deferred tax		214,699	198,274	626,205	607,925
Share of other comprehensive (loss) / income from associate		(51,384)	(218,205)	(613,431)	(446,862)
		1,481,672	69,573	1,954,971	636,491
Share of other comprehensive (loss) / income from takaful		-	(43,209)	480,164	(129,627)
Total comprehensive income for the period		144,600,994	227,079,468	425,237,550	509,314,055
Earnings (after tax) per share - basic and diluted [Restated]	34	0.72	1.13	2.11	2.54

The annexed notes from 1 to 40 form an integral part of this condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Javaid Sadiq
Chairman

CONDENSED INTERIM CASH FLOW STATEMENT

For the Period Ended September 30, 2017 (Un-Audited)

	September 30, 2017	September 30, 2016
	Rupees	Rupees
OPERATING CASH FLOWS		
a) Underwriting activities		
Insurance premium received	3,295,087,421	2,913,837,770
Reinsurance premium paid	(1,176,308,061)	(1,150,126,533)
Claims paid	(1,415,352,042)	(1,361,461,539)
Reinsurance and other recoveries received	479,346,559	702,191,393
Commission paid	(325,854,300)	(443,912,480)
Commission received	180,664,286	196,513,534
Management expenses paid	(433,968,080)	(397,821,279)
Net cash flow from underwriting activities	603,615,783	459,220,866
b) Other operating activities		
Income tax paid	(106,854,636)	(61,825,055)
General expenses paid	(11,481,463)	(26,235,526)
Other operating receipts/(payments)	46,723,089	(25,105,750)
Loan to employees and agents	1,205,849	(5,629,171)
Net cash flows from other operating activities	(70,407,161)	(118,795,502)
Total cash flows from all operating activities	533,208,622	340,425,364
INVESTMENT ACTIVITIES		
Investment income received	74,367,579	74,497,178
Rental income received	1,831,078	928,000
Net assets in Window Takaful Operations	(194,979,835)	(45,931,253)
Sale/(Purchase) of Investment & Fixed deposits	(28,094,233)	(96,938,006)
Fixed capital expenditure	(23,104,058)	(179,064,552)
Proceeds from disposal of property and equipment	20,587,090	6,200,400
Net cash flow from investing activities	(149,392,378)	(240,308,233)
FINANCING ACTIVITIES		
Finance leases charges paid	(12,431,952)	(8,884,855)
Payments on finance leases	(41,629,617)	(38,925,382)
Dividends paid	(180,320,000)	-
Net cash flow from financing activities	(234,381,569)	(47,810,237)
Net cash inflow from all activities	149,434,675	52,306,894
Cash and cash equivalents at the beginning of the period	365,488,217	324,822,286
Cash and cash equivalents at the end of the period	514,922,892	377,129,180

CONDENSED INTERIM CASH FLOW STATEMENT

For the Period Ended September 30, 2017 (Un-Audited)

	September 30, 2017	September 30, 2016
	Rupees	Rupees
Reconciliation to statement of comprehensive income		
Operating cash flows	533,208,622	340,425,364
Depreciation / Amortization	(78,434,475)	(75,727,101)
Lease finance charges	(4,271,364)	(8,884,855)
Car Ijarah expense	(8,160,587)	-
Profit on disposal of property and equipment	11,530,779	3,442,031
Dividend income	5,671,475	1,724,905
Gain & other investment income	66,485,653	63,018,868
Reversal/(Provision) for impairment in value of investments	(2,741,314)	5,719,101
Share of (loss)/ profit from associate	(82,275,259)	10,588,034
Income from Window Takaful Operations	194,499,671	27,060,879
Increase/(Decrease) in Assets other than cash	205,614,332	139,857,261
(Increase)/Decrease in Liabilities other than borrowings	(418,325,117)	1,582,704
Profit after Taxation for the period	422,802,415	508,807,191

The annexed notes from 1 to 40 form an integral part of this condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the Quarter and Nine Months Period Ended September 30, 2017 (Un-Audited)

	Attributable to Equity holders of the Company				
	Share capital	Reserve for issue of bonus shares	General reserve	Unappropriated profit	Total
	----- Rupees -----				
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 shares reserve capitalized	515,200,000	(515,200,000)	-	-	-
Cash Dividend paid	-	-	-	-	-
Return of Qarz-e-hasna from PTF	-	-	-	19,000,000	19,000,000
Transfer to general reserve	-	-	-	-	-
Profit after tax for the nine months period ended September 30, 2016	-	-	-	508,807,191	508,807,191
Other comprehensive income	-	-	-	506,864	506,864
Total comprehensive income for the period	-	-	-	509,314,055	509,314,055
Balance as at September 30, 2016 (Unaudited)	1,803,200,000	-	75,115,917	895,007,892	2,773,323,809
Balance as at January 01, 2017	1,803,200,000	-	75,115,917	677,076,606	2,555,392,523
Transfer to reserve for issue of final bonus shares	-	198,352,000	-	(198,352,000)	-
Bonus share reserve capitalized	198,352,000	(198,352,000)	-	-	-
Transfer to general reserve	-	-	-	-	-
Final cash dividend paid @ Rs. 1.0/- per share for the year - 2016	-	-	-	(180,320,000)	(180,320,000)
Profit after tax for the nine months period ended September 30, 2017	-	-	-	422,802,415	422,802,415
Other comprehensive income	-	-	-	2,435,135	2,435,135
Total comprehensive income	-	-	-	425,237,550	425,237,550
Transferred to general reserve	-	-	-	-	-
Balance as at September 30, 2017 (Unaudited)	2,001,552,000	-	75,115,917	723,642,156	2,800,310,073

The annexed notes from 1 to 40 form an integral part of this condensed interim financial information.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Javaid Sadiq
Chairman

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

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, in the province of Sindh, and its Head Office is located in Lahore, in the province of Punjab. 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, Crop and Miscellaneous General insurance. The company has been allowed to work as Window Takaful Operator on August 18, 2014 by Securities and Exchange Commission of Pakistan under Takaful Rules, 2012 to carry on Islamic General Takaful in Pakistan. 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 AND STATEMENT OF COMPLIANCE

During the period, the Companies Act 2017 (the Act) has been promulgated, however, Securities and Exchange Commission of Pakistan (SECP) vide its circular no. 23 of 2017 dated October 04, 2017 in continuation of circular no. 17 of 2017 dated July 20, 2017 communicated Commission's decision that the companies whose financial period closes on or before 31 December 2017 shall prepare their financial statements in accordance with provisions of the repealed Companies Ordinance, 1984. Accordingly these financial statements are prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984, provisions of and directives issued under the repealed Companies Ordinance, 1984, the Insurance Ordinance, 2000, the Takaful Rules, 2012, the Insurance Rules, 2017 and the Insurance Accounting Regulations 2017. In case requirements differ, the provisions or directives of the repealed Companies Ordinance, 1984, Insurance Ordinance 2000, the Takaful Rules, 2012, the Insurance rules, 2017 and the Insurance Accounting Regulations 2017 shall prevail.

This interim financial information does not include all the information and disclosures required in the financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2016.

2.1 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.

2.2 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.

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

2.3 Standards, interpretations, and amendments effective in (2017)

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

IAS-12	Recognition of deferred tax assets for unrealized losses (amendments to IAS-12)	01 January, 2017
IAS-7	Disclosure initiative (amendments to IAS-7)	01 January, 2017
IFRS-12	Annual improvement to IFRS standards 2014-2016 (amendments to IFRS-12)	01 January, 2017

2.4 Standards, interpretations, and amendments not effective at year end

IFRS-9	Financial instruments	01 January, 2018
IFRS-14	Regulatory deferral accounts	01 January, 2016
IFRS-15	Revenue from contracts with customers	01 January, 2018
IFRS-16	Leases	01 January, 2019

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of the interim financial report as at September 30, 2017 are the same as those adopted in the preparation of the financial statements for the year ended December 31, 2016.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim financial statements 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.

In preparing this interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements at and for the year ended December 31, 2016.

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

	Note	Un-Audited September 30, 2017 Rupees	Audited December 31, 2016 Rupees	
5	PROPERTY AND EQUIPMENT			
	Operating assets at net book value - Owned	5.1	719,906,679	734,898,904
	Operating assets at net book value - Leased	5.2	111,398,211	106,998,487
	Capital work-in-progress		-	-
			831,304,890	841,897,391
5.1	OPENING NET BOOK VALUE		734,898,904	570,699,180
	Additions made during the period at cost		23,104,058	229,661,427
	Transfers made during the period at cost		42,175,000	23,664,500
	Accumulated depreciation reversed on disposals made during the period		20,040,857	11,765,533
	Disposals made during the period at cost		(20,891,534)	(14,670,804)
	Accumulated depreciation reversed on matured assets made during the period		(19,734,072)	(11,180,582)
	Depreciation for the period		(59,686,534)	(75,040,350)
			(14,992,225)	164,199,724
	Closing net book value		719,906,679	734,898,904
5.2	OPENING NET BOOK VALUE		106,998,487	124,865,934
	Additions made during the period at cost		43,929,000	22,683,000
	Transfers made during the period at cost		(42,175,000)	(23,664,500)
	Accumulated depreciation reversed on matured assets made during the period		19,734,072	11,180,582
	Depreciation for the period		(17,088,348)	(28,066,529)
			4,399,724	(17,867,447)
	Closing net book value		111,398,211	106,998,487
6	INTANGIBLE ASSETS			
	Net book value		4,692,249	6,250,416
7	INVESTMENT PROPERTY			
	Net book value		2,610,709	2,712,135
8	INVESTMENT IN SUBSIDIARY AND ASSOCIATE			
8.1	Investment in subsidiary		-	-

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

8.2 Particulars of investment in associate

2017	2016	Face value per share	Note	Un-Audited September 30, 2017	Audited December 31, 2016
Number of shares				Rupees	Rupees
111,250,000	82,772,909	10	8.2.1	350,595,026	148,712,806
111,250,000	82,772,909	10		350,595,026	148,712,806

Market value of investment and percentage of holding in associate are Rs. 759,837,500/- and 44.50% respectively (2016: Rs. 703,569,727/- and 37.62%). 111,250,000/- (2016: 82,772,909/-) number of shares in associate are frozen with CDC under the provision of section 10 (2) of Micro finance Institutions Ordinance, 2001.

8.2.1 Movement of Investment in Associate

Beginning of the period	148,712,806	426,142,564
Purchased during the period	284,770,910	-
	433,483,716	426,142,564
Share of (loss) of associate	(82,275,259)	(276,733,384)
Share of other comprehensive (loss) of associate	(613,431)	(696,374)
Closing balance	350,595,026	148,712,806

8.2.2 Summarised financial information extracted from the financial statements of the associate as at September 30, 2017 and December 31, 2016 2015 is given below:

Total assets	12,339,338,496	13,554,003,018
Total liabilities	(11,671,871,054)	(12,846,803,580)
Net assets	667,467,442	707,199,438
Company's share of net asset of associate	297,023,012	266,076,717
Total revenue	1,200,453,328	1,441,502,272
(Loss) after taxation	(184,888,222)	(735,523,560)

9 EQUITY SECURITIES

The equity securities comprise of the following:

Available for sale

Ordinary shares of listed companies - at cost	146,055,777	10,973,817
Mutual fund certificates - at cost	-	31,227,980
	146,055,777	42,201,797
Less: Provision for impairment in value of investment	(5,555,059)	(2,813,745)
Closing balance	140,500,718	39,388,052

Market value of available for sale investments [Ordinary shares listed] on September 30, 2017 is Rs. 140,686,192/- (2016: Rs. 8,447,969/-).

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

	Note	Un-Audited September 30, 2017 Rupees	Audited December 31, 2016 Rupees
10	GOVERNMENT SECURITIES		
	The Government securities comprise of the following:		
	Pakistan Investment Bonds - Available for sale	-	130,360,451
	Pakistan Investment Bonds - Held to maturity	287,061,441	283,987,489
		287,061,441	414,347,940
11	TERM DEPOSITS & OTHERS		
11.1	Term deposits		
	The term deposits comprise of the following:		
	Deposits maturing within 12 months	76,547,824	138,190,119
	Deposits maturing after 12 months	72,079,727	32,570,160
		148,627,551	170,760,279
11.2	Others		
	The others comprise of the following:		
	Share deposit money	150,000,000	300,000,000
	Advance for purchase of shares	101,713,171	162,211,170
		251,713,171	462,211,170
		400,340,722	632,971,449
11.2.1	These advances have been given for the purchase of shares of M/s. Apna Microfinance Bank Limited to the other sponsors / shareholders of M/s. Apna Microfinance Bank Limited.		
12	LOANS AND OTHER RECEIVABLES		
	Considered good		
	Loans to employees	16,188,962	17,394,811
	Accrued investment income	14,087,561	13,556,698
	Sundry receivables	89,929,945	139,224,544
		120,206,468	170,176,053
12.1	Receivable from related parties	-	66,514,865
	Branch balances	37,452,902	43,011,835
	Other receivables	52,477,043	29,697,844
		89,929,945	139,224,544

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

	Note	Un-Audited September 30, 2017 Rupees	Audited December 31, 2016 Rupees
12 A INVESTMENT IN WINDOW TAKAFUL OPERATIONS (WTO)			
Total assets in Operator's fund		461,421,595	259,197,696
Total liabilities in Operator's fund		(67,537,748)	(60,293,684)
Net assets in Window Takaful Operations (WTO)	12 A.1	393,883,847	198,904,012
12 A.1 Movement of Investment in Window Takaful Operations (WTO)			
Balance at beginning of the year		198,904,012	129,076,965
Share in profit of WTO		194,499,671	49,203,557
Share in other comprehensive income / (loss) of WTO		480,164	1,623,490
Qarz-e-hasna to Participant's Takaful Fund		-	19,000,000
		393,883,847	198,904,012
13 INSURANCE / REINSURANCE RECEIVABLES			
- Unsecured and considered good			
Due from insurance contract holders	13.1	877,725,485	709,226,890
Due from other Insurers / reinsurers contract holders		486,641,936	501,916,703
		1,364,367,421	1,211,143,593
13.1 Due from insurance contract holders		883,485,535	721,234,420
Provision for impairment of receivables from insurance contract holders		(5,760,050)	(12,007,530)
		877,725,485	709,226,890
14 RETIREMENT BENEFIT OBLIGATIONS			
Total liability at period end		12,603,640	58,683,316
15 DEFERRED TAXATION			
Deferred tax liability		19,258,466	14,332,308

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

	Note	Un-Audited September 30, 2017 Rupees	Audited December 31, 2016 Rupees
16 PREPAYMENTS			
Prepaid reinsurance premium ceded	24	610,169,345	595,977,299
Prepaid rent		2,571,510	-
		612,740,855	595,977,299
17 CASH & BANK			
Cash and cash equivalents			
- cash in hand		803,142	160,190
Cash at bank			
- Current accounts		329,300,914	281,389,191
- Saving accounts		184,818,836	83,938,836
		514,119,750	365,328,027
		514,922,892	365,488,217
18 SHARE CAPITAL			
18.1 Authorized share capital			
	September 30, 2017	December 31, 2016	
	(Number of shares)		
	300,000,000	300,000,000	Ordinary shares of Rs. 10/ each
			3,000,000,000
			3,000,000,000
18.2 Issued, subscribed and paid-up share capital			
	10,963,475	10,963,475	Ordinary shares of Rs. 10/ each fully paid in cash
			109,634,750
			109,634,750
	189,191,725	169,356,525	Ordinary shares of Rs. 10/ each issued as fully paid bonus shares
			1,891,917,250
	200,155,200	180,320,000	
			2,001,552,000
			1,803,200,000

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

September 30, 2017	December 31, 2016		Un-Audited September 30, 2017	Audited December 31, 2016
(Number of shares)			Rupees	Rupees
Reconciliation of issued, subscribed and paid up share capital				
180,320,000	128,800,000	At the beginning of the period	1,803,200,000	1,288,000,000
19,835,200	51,520,000	Bonus shares issued during the period	198,352,000	515,200,000
200,155,200	180,320,000		2,001,552,000	1,803,200,000
19 RESERVES				
General reserves			75,115,917	75,115,917
20 BORROWINGS				
Liabilities against assets subject to finance lease			82,904,687	80,605,304
20.1 Opening Balance			80,605,304	110,644,177
Add: Disbursement during the period			43,929,000	22,683,000
Less: Repaid during the period			41,629,617	52,721,873
			2,299,383	(30,038,873)
Closing Balance			82,904,687	80,605,304
21 INSURANCE / REINSURANCE PAYABLES				
Due to insurance contract holders			18,203,186	51,229,137
Due to other insurers / reinsurers			30,378,190	94,981,924
			48,581,376	146,211,061
22 OTHER CREDITORS AND ACCRUALS				
Accrued expenses			1,954,856	7,402,019
Other creditors and accruals			124,692,403	77,629,557
Payable to related parties			9,864,223	-
			136,511,482	85,031,576
23 CONTINGENCY(IES) AND COMMITMENT(S)				
23.1 Contingencies				
There is no change in the status of contingent liabilities since the end of last annual reporting period December 31, 2016.				

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

	Note	Un-Audited September 30, 2017 Rupees	Audited December 31, 2016 Rupees
23.2 Commitments in respect of operating ljarah			
There are following commitments on balance sheet date			
For future ljarah rentals payable	23.2.1	21,571,341	32,050,865
		21,571,341	32,050,865

23.2.1 Commitments for rentals under ljarah contracts in respect of vehicles are as follows:

Due within one year		10,880,784	11,699,232
Due after one year but not later than five year		10,690,557	20,351,633
		21,571,341	32,050,865

	Quarter Ended		Nine Months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
	----- Rupees -----			

24 NET INSURANCE PREMIUM				
Written Gross Premium	1,051,093,012	1,181,360,757	3,463,586,016	3,011,277,489
Add: Unearned premium reserve - Opening	1,588,458,559	1,411,840,551	1,490,001,500	1,389,096,411
Less: Unearned premium reserve - Closing	1,558,891,168	1,475,375,462	1,558,891,168	1,475,375,462
Premium earned	1,080,660,403	1,117,825,846	3,394,696,348	2,924,998,438
Less: Reinsurance premium ceded	389,773,136	508,627,664	1,078,678,376	1,137,946,416
Add: Prepaid reinsurance premium - Opening	611,613,871	570,228,199	595,977,299	517,279,181
Less: Prepaid reinsurance premium - Closing	610,169,345	734,500,039	610,169,345	734,500,039
Reinsurance expense	391,217,662	344,355,824	1,064,486,330	920,725,558
	689,442,741	773,470,022	2,330,210,018	2,004,272,880

25 NET INSURANCE CLAIMS EXPENSE				
Claims Paid	359,141,768	560,474,323	1,415,352,042	1,361,461,539
Add: Outstanding claims including IBNR - Closing	1,200,736,125	655,702,395	1,200,736,125	655,702,395
Less: Outstanding claims including IBNR - Opening	816,812,020	764,969,447	791,222,496	800,096,330
Claims expense	743,065,873	451,207,271	1,824,865,671	1,217,067,604
Less: Reinsurance and other recoveries received	144,530,747	343,543,722	464,071,792	623,262,957
Add: Reinsurance and other recoveries in respect of outstanding claims - Closing	863,629,562	537,304,152	863,629,562	537,304,152
Less: Reinsurance and other recoveries in respect of outstanding claims - Opening	593,627,887	640,273,322	581,301,466	686,761,318
Reinsurance and other recoveries revenue	414,532,422	240,574,552	746,399,888	473,805,791
	328,533,451	210,632,719	1,078,465,783	743,261,813

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

	Quarter Ended		Nine Months Ended		
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016	
	----- Rupees -----				
26	NET COMMISSION AND OTHER ACQUISITION COSTS				
Commission paid or payable	88,140,585	163,600,183	325,854,300	443,912,480	
Add: Deferred commission expense - Opening	212,557,923	265,059,722	197,015,310	177,257,172	
Less: Deferred commission expense - Closing	174,801,737	246,834,546	174,801,737	246,834,546	
Net Commission	125,896,771	181,825,359	348,067,873	374,335,106	
Less: Commission received or recoverable	45,202,806	82,452,610	180,664,286	196,513,534	
Add: Unearned re-insurance commission -Opening	113,075,442	105,661,985	83,462,765	103,583,933	
Less: Unearned re-insurance commission -Closing	93,667,466	134,762,052	93,667,466	134,762,052	
Commission from reinsurers	64,610,782	53,352,543	170,459,585	165,335,415	
	61,285,989	128,472,816	177,608,288	208,999,691	
27	MANAGEMENT EXPENSES	137,461,500	138,107,964	433,968,080	397,821,279
28	INVESTMENT INCOME				
	Income from non-trading investments				
Available for sale	196,578	288,218	50,621,477	2,133,587	
Held to maturity	3,059,389	16,991,712	23,340,761	58,495,674	
	3,255,967	17,279,930	73,962,238	60,629,261	
(Provision) / Reversal for impairment in value of investment	(1,637,183)	572,116	(2,741,314)	5,719,101	
Investment related expenses	(133,110)	(1,432,989)	(1,805,110)	(1,604,589)	
NET INVESTMENT INCOME	1,485,674	16,419,057	69,415,814	64,743,773	
29	RENTAL INCOME	573,000	232,000	1,831,078	928,000
30	OTHER INCOME	8,494,000	221,569	26,387,116	8,644,657
31	OTHER EXPENSES	123,861,378	52,909,946	295,534,157	184,239,661
32	FINANCE COST				
Finance Lease Charges	1,385,966	2,269,435	4,271,364	8,884,855	
Car Ijarah expenses	2,720,196	-	8,160,588	-	
	4,106,162	2,269,435	12,431,952	8,884,855	
33	TAXATION				
	For the period				
-Current	44,161,382	20,000,000	84,094,400	65,000,000	
-Prior current paid	31,933,205	-	31,933,205	-	
-Deferred	7,210,336	(124,582)	4,926,158	(776,267)	
	83,304,923	19,875,418	120,953,763	64,223,733	

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

	Quarter Ended		Nine Months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
----- Rupees -----				
34 EARNINGS PER SHARE				
Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of shares at the period end as follows:				
Basic earnings per share				
Profit after tax for the period	143,119,322	227,053,104	422,802,415	508,807,191
	Number of shares		Number of shares	
Weighted average number of shares of Rs. 10/- each	200,155,200	200,155,200	200,155,200	200,155,200
Earnings per share of Rs. 10/- each- basic and diluted (Restated)	0.72	1.13	2.11	2.54

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.

35 COMPENSATION OF DIRECTORS & EXECUTIVES

Remuneration of Chief executive & Directors during the period	4,368,000	3,768,000	13,104,000	11,304,000
Remuneration of key management personnel during the period	37,546,272	33,679,308	106,723,368	86,898,942

36 RELATED PARTY TRANSACTIONS

Related parties comprise of chief executive officer, 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 with related parties other than those which have been specifically disclosed elsewhere in these condensed interim financial statements are as follows:

Nature of relationship	Nature of transaction	As at	
		Un-Audited September 30, 2017	Audited December 31, 2016
Balances at period end:			
Associated undertakings	(Payable) / Receivable at period end	[9,864,223]	66,514,865
	Investment through equity shares at period end	350,595,026	148,712,806
	Investment through fixed deposits at period end	2,500,000	2,500,000
	Share deposit money at period end	150,000,000	300,000,000
	Bank deposits at period end	383,072	16,806,983
	Claims payable at period end	254,168,855	35,969,629

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

Nature of relationship	Nature of transaction	As at			
		Un-Audited September 30, 2017	Audited December 31, 2016		
Balances at period end:					
Associated persons	Advance for purchase of shares at period end	67,679,496	90,102,990		
Key management personnel	Loan to key management personnel period end	1,299,000	7,713,531		
Staff retirement benefits plan	(Payable to) defined benefit plan period end	(12,603,640)	(58,683,316)		
	Benefits due but unpaid at period end	-	6,712,500		
Transactions during the period:					
Nature of relationship	Nature of transaction	Quarter Ended		Nine Months Ended	
		September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Associated undertakings	Motor tracking devices purchased during the period	4,870,500	6,151,000	18,459,000	42,530,500
	Motor tracking device charges paid during the period	19,037,042	14,543,275	41,337,842	52,864,664
	Device monitoring charges paid during the period	5,193,000	5,949,000	14,822,000	28,117,340
	Rental income received during the period	337,500	150,000	1,012,500	450,000
	Health service charges during the period	4,519,509	2,113,209	11,466,362	5,816,320
	Interest received on bank deposits during the period	128,184	47,260	265,306	59,075
	Cash deposited in bank deposits during the period	91,621,808	34,783,626	156,197,347	219,524,521
	Cash withdrawals in bank deposits during the period	90,702,612	30,404,331	166,815,856	220,409,023
	Insurance premium received during the period	-	10,760,043	-	16,325,050
	Claims paid during the period	24,934,267	-	42,091,627	-
	Share deposit money paid during the period	50,000,000	-	150,000,000	-
Associated persons	Advance for purchase of shares paid during the period	67,679,496	-	109,987,436	-
Key management personnel	Remuneration of key management personnel during the period	37,546,272	33,679,308	106,723,368	86,898,942
Staff retirement benefits plan	Provision for gratuity during period	11,078,493	3,187,734	18,065,127	12,837,679
	Benefits paid during the period	21,774,471	890,500	68,106,471	4,506,950

The Company has five primary business segments for reporting purposes namely Fire, Marine, Motor, Crop and Miscellaneous. Assets and liabilities, wherever possible, have been assigned to the following segments based on identification or allocation on the basis of gross premium written by the respective segment. Assets and liabilities of window takaful operations have been disclosed separately as the requirement of Circular No. 25 of 2015 issued dated July 09, 2015.

	FIRE		MARINE		MOTOR		CROP		MISCELLANEOUS		TOTAL	
	Nine months period ended				Un-audited							
	Sept 30, 2017	Sept 30, 2016	Sept 30, 2017	Sept 30, 2016	Sept 30, 2017	Sept 30, 2016	Sept 30, 2017	Sept 30, 2016	Sept 30, 2017	Sept 30, 2016	Sept 30, 2017	Sept 30, 2016
	Rupees in thousand											
Gross premium	650,506	570,870	191,998	167,888	610,770	744,400	686,277	499,324	1,324,034	1,028,795	3,463,586	3,011,277
Premium earned	628,061	609,227	200,183	264,646	676,326	786,228	583,851	358,485	1,306,275	906,412	3,394,696	2,924,998
Premium ceded expense	253,903	300,678	41,056	146,893	239,884	258,069	127,141	73,079	402,503	142,007	1,064,486	970,726
Net premium	374,158	308,549	159,127	117,753	436,442	528,159	456,710	285,407	903,772	764,405	2,330,210	2,004,273
Commission income	16,953	56,758	2,100	22,756	52,287	43,452	27,875	12,948	71,246	29,422	170,460	165,335
Net underwriting income	391,111	365,307	161,227	140,509	488,729	571,611	484,585	298,354	975,018	793,827	2,500,670	2,169,608
Claims expense	244,675	491,523	126,985	94,119	282,365	237,431	46,492	39,027	1,124,350	354,969	1,824,866	1,217,068
Reinsurance and other recoveries revenue	93,452	325,514	40,846	54,698	26,276	15,835	18,916	7,884	566,910	69,875	746,400	473,806
Net claims	151,223	166,009	86,139	39,422	256,089	221,596	27,576	31,142	557,440	285,093	1,078,466	743,262
Commission expense	90,756	98,104	16,834	29,332	72,576	86,768	51,087	69,377	116,815	90,755	348,068	374,335
Management expenses	72,114	60,066	21,285	17,665	117,710	159,306	76,079	52,538	146,780	108,247	433,968	397,821
Premium deficiency charge	-	-	-	-	-	-	-	-	1,696	-	-	1,696
Net claims & expenses	314,093	324,178	124,257	86,418	446,375	467,670	154,742	153,057	819,338	484,095	1,858,806	1,515,418
Underwriting results	77,018	41,129	36,970	54,091	42,354	103,941	329,843	145,297	155,680	309,732	641,864	654,190
Investment income	-	-	-	-	-	-	-	-	-	-	69,416	64,744
Rental income	-	-	-	-	-	-	-	-	-	-	1,831	928
Other income	-	-	-	-	-	-	-	-	-	-	26,387	8,645
Other expenses	-	-	-	-	-	-	-	-	-	-	(295,534)	(184,240)
Finance costs	-	-	-	-	-	-	-	-	-	-	(12,432)	(8,885)
Share of (Loss)/profit from associate	-	-	-	-	-	-	-	-	-	-	(82,275)	10,588
Profit from window takaful operations	-	-	-	-	-	-	-	-	-	-	194,500	27,061
Profit before tax for the period											543,756	573,031
	Rupees in thousand											
	FIRE		MARINE		MOTOR		CROP		MISCELLANEOUS		TOTAL	
	As at				Un-audited							
	Sept 30, 2017	Sept 30, 2016	Sept 30, 2017	Sept 30, 2016	Sept 30, 2017	Sept 30, 2016	Sept 30, 2017	Sept 30, 2016	Sept 30, 2017	Sept 30, 2016	Sept 30, 2017	Sept 30, 2016
Conventional	728,987	906,237	143,290	132,348	501,135	460,136	368,137	184,594	1,271,419	902,123	3,012,968	2,585,438
Segment assets Takaful [OPF]	86,547	18,363	36,745	687	18,992	15,077	-	-	228,839	2,053	371,123	36,180
Segment assets - Conventional	-	-	-	-	-	-	-	-	-	-	5,664,762	2,621,945
Unallocated assets - Takaful [OPF]	-	-	-	-	-	-	-	-	-	-	90,299	223,017
Consolidated total assets											6,129,196	5,466,580

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Nine Months Period Ended September 30, 2017 (Un-Audited)

38 CORRESPONDING FIGURES

Corresponding figures have been re-arranged or re-classified for better presentation and disclosure in order to comply with the requirements of S.R.O. 88(II)/2017 - 'Insurance Accounting Regulations, 2017', the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas the condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable periods of immediately preceding financial period.

39 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on October 27, 2017 by the Board of Directors of the Company.

40 GENERAL

The figures in the financial statements have been rounded off to the nearest rupees.



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Javaid Sadiq
Chairman

**United
Window Takaful
Operations**

United Window Takaful Operations

Condensed Interim Financial Information

For The Nine Months Ended on September 30, 2017

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2017 (Un-Audited)

		Un-Audited September 30, 2017	Un-Audited September 30, 2017	Un-Audited September 30, 2017	Audited September 30, 2016
	Note	PTF	OPF	Aggregate	Aggregate
-----Rupees-----					
ASSETS					
Property and equipment	5	50,887,783	19,137,144	70,024,927	77,638,772
Investments					
Equity securities	6	34,015,680	18,528,161	52,543,841	8,500,000
Debt securities	7	61,500,277	20,139,655	81,639,932	80,581,932
Term deposits	8	80,422,186	-	80,422,186	63,000,000
Loans and other receivables	9	34,851,256	354,132,614	388,983,870	169,498,851
Takaful / Re-takaful receivables	10	430,438,944	-	430,438,944	142,674,565
Re-takaful recoveries against outstanding claims		44,219,357	-	44,219,357	14,196,873
Deferred commission expense / acquisition cost	22	-	45,273,588	45,273,588	36,180,197
Prepayments	12	65,201,573	-	65,201,573	44,918,892
Cash & Bank	13	42,972,892	4,210,433	47,183,325	14,999,226
TOTAL ASSETS					
		844,509,948	461,421,595	1,305,931,543	652,189,308

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.



Mohammad Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2017 (Un-Audited)

Note	Un-Audited	Un-Audited	Un-Audited	Audited	
	September 30, 2017	September 30, 2017	September 30, 2017	September 30, 2016	
	PTF	OPF	Aggregate	Aggregate	
-----Rupees-----					
EQUITY AND LIABILITIES					
PARTICIPANTS' TAKAFUL FUND (PTF)					
Ceded money	14	500,000	-	500,000	500,000
Accumulated deficit		78,139,006	-	78,139,006	(51,036,774)
		78,639,006	-	78,639,006	(50,536,774)
OPERATOR'S FUND (OPF)					
Statutory fund	15	-	50,000,000	50,000,000	50,000,000
Accumulated profit		-	343,883,847	343,883,847	148,904,012
		-	393,883,847	393,883,847	198,904,012
LIABILITIES					
Underwriting provisions					
Provision for outstanding claims (including IBNR)	20	71,254,746	-	71,254,746	59,800,049
Provision for unearned contribution	19	305,246,530	-	305,246,530	155,854,152
Contribution deficiency reserves		20,207,851	-	20,207,851	20,207,851
Unearned re-takaful rebate	21	12,810,129	-	12,810,129	8,612,773
Retirement benefit obligations	11	-	-	-	3,337,406
Takaful / re-takaful payables	16	21,170,885	27,694,616	48,865,501	53,539,355
Other creditors and accruals	17	335,180,801	39,843,132	375,023,933	202,470,484
TOTAL LIABILITIES		765,870,942	67,537,748	833,408,690	503,822,070
TOTAL EQUITY AND LIABILITIES		844,509,948	461,421,595	1,305,931,543	652,189,308
CONTINGENCIES & COMMITMENTS	18	-	-	-	-

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.



Khawas Khan Niazi
Director / President



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the Quarter and Nine Months ended September 30, 2017 (Un-Audited)

Note	Quarter ended		Nine Months Ended		
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016	
----- Rupees -----					
PARTICIPANTS' TAKAFUL FUND (PTF)					
Net takaful contribution	19	356,478,744	80,509,083	594,691,134	286,877,220
Net takaful claims	20	(52,966,334)	(36,024,589)	(99,789,526)	(126,149,796)
Contribution deficiency reserves		-	-	-	-
Wakala fee		(203,326,327)	(33,258,200)	(332,243,891)	(144,406,320)
Net rebate on re-takaful	21	6,243,372	6,132,881	17,513,383	20,094,739
Takaful claims and acquisition expenses		(250,049,289)	(63,149,908)	(414,520,034)	(250,461,377)
Direct expenses	23	(20,268,373)	(12,706,201)	(55,625,266)	(31,828,258)
Underwriting results		86,161,082	4,652,974	124,545,834	4,587,585
Investment income	24	825,559	1,088,727	3,535,563	3,873,119
Other income	25	335,632	300,728	1,094,383	1,025,873
Surplus for the period		87,322,273	6,042,429	129,175,780	9,486,577
Operator's fund (OPF)					
Wakala fee		203,326,327	33,258,200	332,243,891	144,406,320
Net Commission and other acquisition costs	22	(21,683,058)	(17,407,957)	(57,863,112)	(51,784,897)
		181,643,269	15,850,243	274,380,779	92,621,423
Management expenses	23	(22,002,463)	(13,333,684)	(62,448,694)	(49,001,945)
		159,640,806	2,516,559	211,932,085	43,619,478
Investment income	24	121,366	792,095	1,128,757	1,466,803
Other income	25	16,492	151,779	28,513	227,312
General and administration expenses	26	(6,398,437)	(4,690,841)	(16,549,697)	(15,275,990)
		153,380,227	(1,230,408)	196,539,658	30,037,603
Finance costs	27	(687,579)	(932,972)	(2,039,987)	(2,976,724)
Profit/(loss) for the period		152,692,648	(2,163,380)	194,499,671	27,060,879
Profit after tax for the period		152,692,648	(2,163,380)	194,499,671	27,060,879
Item not to be re-classified to profit and loss account in subsequent period:		-	-	-	-
Other comprehensive income for the period					
Actuarial (loss) / gain on defined benefit plan		-	-	480,164	(129,627)
Total comprehensive income/(loss) for the period		152,692,648	(2,163,380)	194,979,835	26,931,252

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.



Mohammad Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Javaid Sadiq
Chairman

CONDENSED INTERIM CASH FLOW STATEMENT

For the Nine Months ended September 30, 2017 (Un-Audited)

	September 30, 2017 PTF	September 30, 2017 OPF	September 30, 2017 Aggregate	September 30, 2016 Aggregate
	----- Rupees -----			
Operating cash flows:				
a) Underwriting activities:				
Contribution received	505,065,712	-	505,065,712	350,274,763
Re-takaful contribution paid	(102,878,361)	(8,921,637)	(111,799,998)	(117,511,165)
Claims paid	(149,323,270)	-	(149,323,270)	(168,345,647)
Re-takaful and other recoveries received	69,062,841	-	69,062,841	45,104,481
Commission paid	-	(66,956,503)	(66,956,503)	(49,652,510)
Wakala fee (paid)/ received	(332,243,891)	332,243,891	-	-
Rebate received	21,710,739	-	21,710,739	19,551,019
Management expenses paid	(38,612,874)	(60,430,970)	(99,043,844)	(80,830,203)
Net cash flow from underwriting activities	(27,219,104)	195,934,781	168,715,677	(1,409,262)
b) Other operating activities:				
General expenses paid	-	(16,549,697)	(16,549,697)	8,159,786
Other operating receipts/(payments)	124,201,774	(183,413,243)	(59,211,469)	26,036,020
Loan to employees and agents	-	(896,042)	(896,042)	-
Net cash flow from other operating activities	124,201,774	(200,858,982)	(76,657,208)	34,195,806
Total cash flow from all operating activities	96,982,670	(4,924,201)	92,058,469	32,786,544
Investing activities:				
Investment income received	650,801	3,676,949	4,327,750	4,518,772
Sale/(purchase) of investment & fixed deposits	(57,750,616)	5,881,859	(51,868,757)	(15,420,773)
Fixed capital expenditure	(9,345,425)	(947,951)	(10,293,376)	(47,016,162)
Net cash flow from investing activities	(66,445,240)	8,610,857	(57,834,383)	(57,918,163)
Financing activities:				
Ijarah liability paid	-	(2,039,987)	(2,039,987)	(2,976,724)
Qarz e hasna	-	-	-	-
Net cash flow from financing activities	-	(2,039,987)	(2,039,987)	(2,976,724)
Net cash (outflow)/ inflow from all activities	30,537,430	1,646,669	32,184,099	(28,108,342)
Cash and cash equivalents at the beginning of the period	12,435,462	2,563,764	14,999,226	37,102,876
Cash and cash equivalents at the end of the period	42,972,892	4,210,433	47,183,325	8,994,534

CONDENSED INTERIM CASH FLOW STATEMENT

For the Nine Months ended September 30, 2017 (Un-Audited)

	September, 30 2017 PTF	September, 30 2017 OPF	September, 30 2017 Aggregate	September, 30 2016 Aggregate
----- Rupees -----				
Reconciliation of profit and loss account				
Net cash generated from underwriting activities	96,982,670	(4,924,201)	92,058,469	32,786,544
Depreciation	(15,918,009)	(1,989,211)	(17,907,220)	(17,489,183)
Rentals on car ijarah	-	(2,039,987)	(2,039,987)	(2,976,724)
Increase/ (decrease) in assets other than cash	366,918,113	210,048,541	576,966,654	44,113,916
(Increase)/ decrease in liabilities	(322,342,556)	(7,244,064)	(329,586,620)	(25,356,647)
Investment income	3,535,562	1,128,757	4,664,319	5,339,922
Profit for the period	129,175,780	194,979,835	324,155,615	36,417,829
Attributed to:				
Participants' takaful fund (PTF)	129,175,780	-	129,175,780	9,486,577
Operator's fund (OPF)	-	194,979,835	194,979,835	26,931,252
	129,175,780	194,979,835	324,155,615	36,417,829

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.



Mohammad Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN FUND

For the Quarter and Nine Months ended September 30, 2017 (Un-Audited)

Description	Ceded Money	Accumulated Surplus/deficit	Total
		----- Rupees -----	
PARTICIPANTS' TAKAFUL FUND (PTF)			
Balance as at January 01, 2016 (Audited)	500,000	1,865,931	2,365,931
Surplus for the period ended September 30, 2016	-	9,486,577	9,486,577
Qarz-e-hasna for the period	-	(19,000,000)	(19,000,000)
Balance as at September 30, 2016 (Un-Audited)	500,000	(7,647,492)	(7,147,492)
Balance as at January 01, 2017 (Audited)	500,000	(51,036,774)	(50,536,774)
Surplus for the period ended September 30, 2017	-	129,175,780	129,175,780
Balance As at September 30, 2017 (Un-Audited)	500,000	78,139,006	78,639,006

Description	Statutory fund	Accumulated profit	Total
		----- Rupees -----	
OPERATOR'S FUND (OPF)			
Balance as at January 01, 2016 (Audited)	50,000,000	79,076,965	129,076,965
Profit for the period ended September 30, 2016	-	27,060,879	27,060,879
Qarz-e-hasna returned for the period	-	19,000,000	19,000,000
Other comprehensive (loss) for the period	-	(129,627)	(129,627)
Balance as at September 30, 2016 (Un-Audited)	50,000,000	125,008,217	175,008,217
Balance as at January 01, 2017	50,000,000	148,904,012	198,904,012
Profit for the period ended September 30, 2017	-	194,499,671	194,499,671
Other comprehensive income for the period	-	480,164	480,164
Balance as at September 30, 2017 (Un-Audited)	50,000,000	343,883,847	393,883,847

The annexed notes from 1 to 33 form an integral part of this condensed interim financial information.



Mohammad Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Javaid Sadiq
Chairman

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended September 30, 2017 (Un-Audited)

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, in the province of Sindh, and its Head Office is located in Lahore in the province of Punjab. 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, Crop and Miscellaneous General insurance.

The company 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 Takaful in Pakistan. 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 AND STATEMENT OF COMPLIANCE

These financial statements are prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the Insurance Accounting Regulations 2017. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984, Insurance Ordinance 2000, the Insurance rules, 2017 and the Insurance Accounting Regulations 2017 shall prevail.

This interim financial information does not include all the information and disclosures required in the financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2016.

2.1 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.

2.2 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.

2.3 STANDARDS, INTERPERATIONS AND AMENDMENTS TO APPROVED ACCOUNTING STANDARDS THAT ARE NOT YET EFFECTIVE.

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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended September 30, 2017 (Un-Audited)

Standards, Amendments or Interpretation		Effective date (Annual periods beginning on or after)
IAS-12	Recognition of deferred tax assets for unrealized losses(amendments to IAS-12)	01 January, 2017
IAS-7	Disclosure initiative (amendments to IAS-7)	01 January, 2017
IFRS-12	Annual improvement to IFRS standards 2014-2016(amendments to IFRS-12)	01 January, 2017

2.4 Standards, interpretations, and amendenments not effective at period end.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

IFRS-9	Financial instruments	01 January, 2018
IFRS-14	Regulatory deferral accounts	01 January, 2016
IFRS-15	Revenue from contracts with customers	01 January, 2018
IFRS-16	Leases	01 January, 2019

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of the interim financial report as at September 30, 2017 are the same as those adopted in the preparation of the financial statements for the year ended December 31, 2016.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim financial statements 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.

In preparing this interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements at and for the year ended December 31, 2016.

Note	Un-Audited	Audited	Un-Audited	Audited
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
	PTF	PTF	OPF	OPF
----- R u p e e s -----				

5 PROPERTY AND EQUIPMENT

Operating assets at net book value - Owned	5.1	50,887,783	57,460,367	19,137,144	20,178,405
		50,887,783	57,460,367	19,137,144	20,178,405

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended September 30, 2017 (Un-Audited)

	Un-Audited September 30, 2017 PTF	Audited December 31, 2016 PTF	Un-Audited September 30, 2017 OPF	Audited December 31, 2016 OPF
----- R u p e e s -----				
5.1 Operating assets at net book value - Owned				
Opening net book value -owned	57,460,367	36,819,137	20,178,405	18,627,718
Add: Additions/transfers/revaluation surplus made during the period at cost	9,345,425	45,385,770	947,951	4,306,196
Add: Accumulated depreciation reversed on disposals made during the period	-	-	-	-
Less: Accumulated depreciation reversed on matured assets made during the period	-	-	-	-
Less: Disposals made during the period at cost	-	-	-	-
Less: Depreciation for the period	(15,918,009)	(24,744,540)	1,989,212	(2,755,509)
	(6,572,584)	20,641,230	(1,041,261)	1,550,687
Closing net book value	50,887,783	57,460,367	19,137,144	20,178,405
6 EQUITY SECURITIES				
The equity securities comprise of the following:				
Available for sale				
Listed equities	24,771,144	-	10,910,020	-
Mutual fund certificates - at cost	9,244,536	5,000,000	7,618,141	3,500,000
	34,015,680	5,000,000	18,528,161	3,500,000
Provision for impairment in value of investment	-	-	-	-
Closing balance	34,015,680	5,000,000	18,528,161	3,500,000
7 DEBT SECURITIES				
The debt securities comprise of the following:				
Govt of Pakistan ijarah Skuks - Held to maturity	61,500,277	60,442,277	20,139,655	20,139,655
	61,500,277	60,442,277	20,139,655	20,139,655
8 TERM DEPOSITS				
The term deposits comprise of the following:				
Deposits maturing within 12 months	80,422,186	53,000,000	-	10,000,000
Deposits maturing after 12 months	-	-	-	-
	80,422,186	53,000,000	-	10,000,000

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended September 30, 2017 (Un-Audited)

Note	Un-Audited	Audited	Un-Audited	Audited		
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016		
	PTF	PTF	OPF	OPF		
----- Rupees -----						
9	LOANS AND OTHER RECEIVABLES					
	- Considered good					
	Receivable from related parties					
	-	-	-	-		
	Accrued investment income	1,418,909	819,145	512,465	395,378	
	Security deposits	26,599,001	1,573,107	1,174,000	1,174,000	
	Loans to employees	-	-	2,139,185	1,243,143	
	Branch balances	-	-	5,011,684	3,911,408	
	Wakala fee receivable	-	-	319,848,943	145,089,458	
	Other receivables	6,833,346	470,924	25,446,337	14,822,288	
		34,851,256	2,863,176	354,132,614	166,635,675	
10	TAKAFUL / RE-TAKAFUL RECEIVABLES					
	- Unsecured and considered good					
	Due from participants	10.1	335,434,932	9,573,669	-	-
	Due from other Insurers / reinsurers contract holders		95,004,012	133,100,896	-	-
			430,438,944	142,674,565	-	-
10.1	Due from participants		335,434,932	9,573,669	-	-
	Less: Provision for impairment of receivables from insurance contract holders		-	-	-	-
			335,434,932	9,573,669	-	-
11	RETIREMENT BENEFIT OBLIGATIONS					
			-	-	-	3,337,406
	Total liability at period end		-	-	-	3,337,406
12	PREPAYMENTS					
	Prepaid re-takaful contribution ceded		65,201,573	44,918,892	-	-
	Prepaid rent		-	-	-	-
			65,201,573	44,918,892	-	-
13	CASH & BANK					
	Cash and cash equivalents					
	- cash in hand		-	-	80,793	219,448
	Cash at bank					
	- Current accounts		5,631,622	6,383,950	1,893,581	1,693,147
	- Saving accounts		37,341,270	6,051,512	2,236,058	651,169
			42,972,892	12,435,462	4,210,432	2,563,764

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended September 30, 2017 (Un-Audited)

	Un-Audited Note September 30, 2017 Rupees	Audited December 31, 2016 Rupees
--	--	---

14 CEDED MONEY		
Waqf money	500,000	500,000

The amount of Rs. 500,000/- has been set apart for Waqf Fund/ Participants' Takaful Fund as Waqf money according to the Waqf deed prepared for the purpose of creation of Waqf Fund/ Participants' Takaful Fund.

15 STATUTORY FUND		
Statutory reserves	50,000,000	50,000,000

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".

	Un-Audited September 30, 2017 PTF	Audited December 31, 2016 PTF	Un-Audited September 30, 2017 OPF	Audited December 31, 2016 OPF
	----- Rupees -----			

16 TAKAFUL / RETAKAFUL PAYABLES				
Due to takaful / re-takaful contract holders	21,170,885	16,923,102	27,694,616	36,616,253

17 OTHER CREDITORS AND ACCRUALS				
Provision for government levies	13,414,317	386,371	2,964,928	17,450,433
Accrued expenses	-	-	-	638,982
Wakala fee payable	319,848,943	145,089,458	-	-
Others	1,917,541	36,654,630	36,878,204	2,250,610
	335,180,801	182,130,459	39,843,132	20,340,025

18 CONTINGENCY(IES) AND COMMITMENT(S)				
18.1 Contingency(ies)				

There is no change in the status of contingent liabilities since the end of last annual reporting period December 31, 2016.

18.2 Commitments in respect of operating Ijarah				
There are following commitments on balance sheet date.				
For future Ijarah rentals payable	18.2.1	3,723,641	5,786,062	

Commitments for rentals under Ijarah contracts in respect of vehicles are as follows:

18.2.1	Due within one year	2,750,316	2,750,000
	Due after one year but not later than five year	973,325	3,036,062
		3,723,641	5,786,062

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended September 30, 2017 (Un-Audited)

	Quarter Ended		Nine Months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
----- R u p e e s -----				
19 NET TAKAFUL CONTRIBUTION				
Written gross contribution	508,485,436	83,180,294	830,926,975	361,050,589
Add: Provision for unearned contribution- Opening	184,465,756	159,787,095	155,854,152	155,932,108
Less: Provision for unearned contribution- Closing	(305,246,530)	(132,575,777)	(305,246,530)	(132,575,777)
Contribution earned	387,704,662	110,391,612	681,534,597	384,406,920
Less: Re-takaful contribution ceded	36,139,759	9,742,009	107,126,144	94,010,625
Add: Prepaid re-takaful contribution Opening	60,287,732	61,799,544	44,918,892	45,178,099
Less: Prepaid re-takaful contribution - Closing	(65,201,573)	(41,659,024)	(65,201,573)	(41,659,024)
Re-takaful expense	(31,225,918)	(29,882,529)	(86,843,463)	(97,529,700)
	356,478,744	80,509,083	594,691,134	286,877,220
20 NET TAKAFUL CLAIMS				
Claims Paid	58,385,311	36,613,989	149,323,270	168,345,647
Add: Outstanding claims including IBNR- Closing	71,254,746	33,970,947	71,254,746	33,970,947
Less: Outstanding claims including IBNR- Opening	(57,481,492)	(30,981,492)	(59,800,049)	(27,963,453)
Claims expense	72,158,565	39,603,444	160,777,967	174,353,141
Less: Reinsurance and other recoveries received	11,968,705	3,220,886	30,965,957	51,230,312
Add: Reinsurance and other recoveries in respect of outstanding claims - Closing	44,219,357	6,457,045	44,219,357	6,457,045
Less: Reinsurance and other recoveries in respect of outstanding claims - Opening	(36,995,831)	(6,099,076)	(14,196,873)	(9,484,012)
Reinsurance and other recoveries revenue	19,192,231	3,578,855	60,988,441	48,203,345
	52,966,334	36,024,589	99,789,526	126,149,796
21 NET REBATE ON RETAKAFUL				
Rebate received or recoverable	7,138,319	2,082,786	21,710,739	19,551,019
Add: Unearned re-takaful rebate - Opening	11,915,182	12,432,701	8,612,773	8,926,325
Less: Unearned re-takaful rebate - Closing	(12,810,129)	(8,382,606)	(12,810,129)	(8,382,605)
	6,243,372	6,132,881	17,513,383	20,094,739
22 NET COMMISSION AND OTHER ACQUISITION COST				
Commission paid or payable	33,137,294	9,192,054	66,956,503	49,652,510
Add: Deferred commission expense - Opening	33,819,352	36,888,478	36,180,197	30,804,962
Less: Deferred commission expense - Closing	(45,273,588)	(28,672,575)	(45,273,588)	(28,672,575)
Net Commission	21,683,058	17,407,957	57,863,112	51,784,897

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended September 30, 2017 (Un-Audited)

	Quarter Ended		Nine Months Ended		
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016	
----- Rupees -----					
23	DIRECT & MANAGEMENT EXPENSES				
	Direct expenses-PTF	(20,268,374)	(12,706,201)	(55,625,266)	(31,828,258)
	Management expenses-OPF	(22,002,463)	(13,333,684)	(62,448,694)	(49,001,945)
24	INVESTMENT INCOME				
	Income from non-trading investments				
	Net investment income PTF	825,559	1,088,727	3,535,563	3,873,119
	Net investment income OPF	121,366	792,095	1,128,757	1,466,803
25	OTHER INCOME				
	PTF	335,632	300,728	1,094,383	1,025,873
	OPF	16,492	151,779	28,513	227,312
26	GENERAL AND ADMINISTRATION EXPENSES				
	OPF	(6,398,437)	(4,690,841)	(16,549,697)	(15,275,990)
27	FINANCE COST				
	OPF	(687,579)	(932,972)	(2,039,987)	(2,976,724)
28	COMPENSATION OF DIRECTORS & EXECUTIVES				
	Remuneration of key management personnel during the period	(9,248,550)	(5,504,550)	(27,745,650)	(16,513,650)

29 SEGMENT REPORTING

The Company has four primary business segments for reporting purposes namely Fire, Marine, Motor and Miscellaneous. Assets and liabilities, wherever possible, have been assigned to the following segments based on identification or allocation on the basis of gross contribution written by the respective segment.
Assets and liabilities of window takaful operations have been disclosed separately as the requirement of Circular No. 25 of 2015 issued dated July 09, 2015.

	FIRE		MARINE		MOTOR		MISC.		TOTAL	
	Un-Audited Sept 30 2017	Audited Dec. 31 2016								
----- Rupees -----										
PARTICIPANTS' TAKAFUL FUND (PTF)										
Segment assets	41,148,668	80,025,300	17,251,457	18,875,410	154,981,485	81,648,384	326,478,264	21,241,237	539,859,874	201,790,331
Unallocated assets									304,650,074	191,201,282
Total assets									844,509,948	392,991,613
Segment liabilities	158,125,777	76,023,556	43,259,150	9,075,873	120,691,250	119,371,920	434,462,906	56,926,578	756,539,084	261,397,927
Unallocated liabilities									9,331,858	182,130,459
Total liabilities									765,870,942	443,528,386
OPERATOR'S FUND (OPF)										
Segment assets	86,546,954	18,362,719	36,744,882	686,668	18,991,505	15,077,395	228,839,191	2,053,415	371,122,531	36,180,197
Unallocated assets									90,299,064	223,017,499
Total assets									461,421,595	259,197,696
Segment liabilities	2,110,587	10,252,377	884,174	3,679,689	7,946,740	19,388,618	16,753,115	3,295,570	27,694,616	36,616,254
Unallocated liabilities									39,843,132	23,412,431
Total liabilities									67,537,748	60,028,685

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended September 30, 2017 (Un-Audited)

30 RELATED PARTY TRANSACTIONS

Related parties comprise of chief executive officer, 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 with related parties other than those which have been specifically disclosed elsewhere in these condensed interim financial statements are as follows:

		Nine Months Ended			
		Sept 30, 2017	Sept 30, 2016		
		Rupees	Rupees		
Nature of relationship	Nature of transaction				
Balances at period end:					
Associated undertakings	Receivable at period end	2,667,092	(24,285,951)		
Key management personnel	Loan to key management personnel period end	-	416,136		
Staff retirement benefits plan	(Payable to) defined benefit plan period end	-	4,520,373		
		Quarter Ended			
		Sept 30, 2017	Sept 30, 2016		
		Nine Months Ended			
		Sept 30, 2017	Sept 30, 2016		
Associated undertakings	Motor tracking devices purchased during the period	1,440,310	55,309,716	9,345,425	64,468,546
	Device monitoring charges paid during the period	23,615,606	7,544,975	37,706,401	15,041,880
	Health service charges during the period	-	-	138,994	-
Key management personnel	Remuneration of key management personnel during the period	(9,248,550)	5,504,550	(27,745,650)	16,513,650
Staff retirement benefits plan	Provision for gratuity during the period	-	1,137,649	827,890	3,412,947

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the period ended September 30, 2017 (Un-Audited)

31 CORRESPONDING FIGURES

Corresponding figures have been re-arranged or re-classified for better presentation and disclosure in order to comply with the requirements of S.R.O. 89(II)/2017 - 'Insurance Accounting Regulations, 2017', the interim balance sheet has been compared with the balances of annual financial statements of preceding financial year, whereas the interim profit and loss account, interim statement of comprehensive income, interim statement of cash flows and interim statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

32 DATE OF AUTHORIZATION FOR ISSUE

These interim financial statements have been authorized for issue on October 27, 2017 by the Board of Directors of the Company.

33 GENERAL

The figures in the financial statements have been rounded off to the nearest rupees.



Mohammad Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Khawas Khan Niazi
Director / President



Javaid Sadiq
Chairman

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