

Half Yearly 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
General Manager (HR & R)	Wakeel Ahmad Mirza
General Manager Administration	Jamil Ahmed
Joint Director Operations	Tayyab Bashir
General Manager (I.T)	Munir Ahmed
General Manager Health/Travel	Kashif Shafique
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
Sh. Musa Saleem
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

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" take immense pleasure in presenting the Half Year Review Report of your Company, together with the interim financial information (un-audited) for the half year ended June 30, 2017.

Performance Review – Half Year - 2017

Gross Written Premium (GWP) for the 1st half year-2017 increased by 31.84%, from Rs. 1829.92mn for the half year in 2016 to Rs. 2412.49mn in 2017. 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 68.01% of GWP. The underwriting result increased by 34.02% from Rs. 357.934 mn in 2016 to Rs. 479.702mn in 2017. The Company earned from investment income Rs. 67.930mn in 2017 against Rs. 48.325 mn in 2016. Accordingly the Company placed Rs. 311.281mn Profit before tax in 2017 including results from Window Takaful Operations and associates undertaking against Rs. 326.102 mn profit before tax in 2016 and profit after tax of Rs. 273.633mn in 2017 against Rs. 281.754mn profit after tax in 2016. Earnings per share of the Company arises to Rs. 1.37 in 2017 as against Rs. 1.41 in 2016.

Performance Review Window Takaful Operations – Half Year - 2017

The directors of The United Insurance Company of Pakistan Limited is pleased to announce that half yearly goals 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 half year ended on June 30, 2017.

We have a significant increase of 24.73% and 15.43% in the Gross written contribution and Net contribution of Participants Takaful fund respectively from June 30, 2016. The above reflects true and relentless efforts of Window Takaful management and the dedication and enthusiasm of the field staff. The Gross written contribution for the six months increased from Rs.259.250 million in June 30, 2016 to Rs.322.441 million for the period ended on June 30, 2017. The Company's net written contribution increased by Rs.31.844 million and stands at Rs.238.212 million as against Rs.206.368 million in the same period of 2016.

- The investments of participant Takaful fund increased to Rs.68,500 million as at half year ended on June 30, 2017. Total investment income for the six months ended on June 30, 2017 came to Rs.2,710 million.
- The Operators' fund of the window Takaful operations has earned profit of Rs.42,287 million for the six months ended on June 30, 2017 as compared to Rs.29,138 million in June 30, 2016 which shows an increase of Rs.13,149 million.
- General and admin expenses of the operator were tightly controlled during the six months of 2017 which resulted in decrease of 4.10% as compared to Half year 2016.
- The investments of Operators fund increased to Rs.27,639 million for the half year ended on June 30, 2017. Total investment income for the six months ended on June 30, 2017 came to Rs.1,007 million.

Future Outlook

With the CPEC taking shape and a possible end to the power crisis, economic outlook is positive, major gains are already being witnessed by the service industry, construction sector and the auto industry with global players entering the Pakistani market. 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: August 28, 2017

ممبرز کو ڈائریکٹرز رپورٹ

محترم اراکین!

دی یونائیٹڈ انشورنس کمپنی آف پاکستان لمیٹڈ کے ڈائریکٹرز 2017 کی ششماہی جائزہ رپورٹ اور غیر محاسبی مالیاتی معلومات پیش کرتے ہوئے نہایت مسرت محسوس کر رہے ہیں۔

2017 کی ششماہی میں روایتی کاروبار کی کارکردگی کا جائزہ:

2017 کی ششماہی میں کمپنی کا خام بیمہ 31.84 فی صد اضافے سے 2,412.49 ملین روپے رہا جو کہ پچھلے سال 2016 میں 1,829.92 ملین روپے تھا، مجموعاً بیمہ عملے کی سنجیدہ اور بھرپور کوششوں کی وجہ سے حاصل کی گئی ہے۔ کمپنی کا خالص بیمہ خام بیمہ 68.01 فی صد رہا۔ 2017 کی ششماہی میں ڈیمونسٹریٹڈ 34.02 فی صد اضافے سے 479.702 ملین روپے جو کہ 2016 ششماہی میں 357.934 ملین روپے تھے۔ کمپنی نے مختلف سرمایہ کاریوں سے 67.930 ملین روپے آمدن حاصل کی جو کہ 2016 کی ششماہی میں 48.325 ملین روپے رہی۔ کمپنی نے وڈو وکٹائل کاروبار اور متعلقہ کمپنیوں میں کی گئی سرمایہ کاری سے حاصل شدہ آمدن سمیت 311.281 ملین روپے قلیل اڑیکس منافع حاصل کرنے میں کامیاب رہی جو کہ 2016 کی ششماہی میں 326.102 ملین روپے تھا، اسی طرح 2017 کی ششماہی میں 273.633 ملین روپے منافع حاصل کیا جو کہ 2016 کے اسی عرصہ میں 281.754 ملین روپے تھا۔ کمپنی کی فی حصص آمدن 2017 میں 1.37 روپے رہی جو کہ 2016 میں 1.41 روپے تھی۔

2017 کی ششماہی میں وڈو وکٹائل کاروبار کی کارکردگی کا جائزہ:

دی یونائیٹڈ انشورنس کمپنی آف پاکستان لمیٹڈ کے ڈائریکٹرز نے اتنے میں فخر محسوس کر رہے ہیں کہ وکٹائل کاروبار کے 2017 کے اہداف کامیابی سے حاصل کرنے لگے ہیں۔ مندرجہ ذیل مالی اعداد و شمار وڈو وکٹائل کی چھ ماہ کی کارکردگی کا مظہر ہیں:

وکٹائل فنڈ کی خام اعانت اور خالص اعانت میں 24.73 اور 15.43 فی صد نمایاں اضافہ دیکھنے میں آیا ہے جو کہ وڈو وکٹائل انتظامیہ اور فیلڈ سٹاف کی ایماندارانہ، مسلسل اور بھرپور کوششوں کا نتیجہ ہے۔ وکٹائل فنڈ کی خام اعانت 2017 کے چھ ماہ میں 322.441 ملین روپے رہی جو کہ 30 جون، 2016 میں 259.250 ملین روپے تھی۔ 2017 کی ششماہی میں وکٹائل فنڈ کی خالص اعانت 31.844 ملین اضافے سے 238.212 ملین روپے رہی جو کہ پچھلے 2016 اسی عرصہ میں 206.368 ملین روپے تھی۔

- ☆ سال 2017 کی ششماہی میں وکٹائل فنڈ کی سرمایہ کاری 68.500 ملین روپے رہی جس سے 2.710 ملین روپے آمدن حاصل ہوئی۔
- ☆ رواں ششماہی میں وڈو وکٹائل آپریٹرز فنڈ کی آمدنی 13.149 ملین روپے اضافے سے 42.287 ملین روپے رہی جو کہ 2016 کی ششماہی میں 29.138 ملین روپے تھی۔
- ☆ سال 2017 کی ششماہی کے عمومی اور انتظامی اخراجات محدود رکھے گئے جس کی وجہ سے اخراجات میں پچھلے 2016 کی ششماہی کی نسبت 4.10 فی صد کمی رہی۔
- ☆ رواں ششماہی میں وڈو وکٹائل آپریٹرز فنڈ کی سرمایہ کاری اضافے کے ساتھ 27.639 ملین روپے رہی جس سے 2017 کی ششماہی میں 1.007 ملین روپے آمدن حاصل ہوئی۔

مستقبل کے نقطہ نظر:

سی پیک منصوبہ کی تکمیل اور دلچسپ بحران کے مگنڈ خاتمے سے ہماری معیشت میں مثبت بہتری نظر آ رہی ہے۔ خدمات، تعمیرات اور ٹرانسپورٹ کی صنعتوں میں بین الاقوامی کمپنیوں کی پاکستانی منڈیوں میں داخلے سے اہم فوائد حاصل ہوئے ہیں۔ صارفین کے اعتماد اور بڑھتی ہوئی ضروریات میں اضافے سے انشورنس کی صنعت میں بھی نمو متوقع ہے۔ کمپنی اپنے منافع اور بیمہ میں اضافے کی شرح کو برقرار رکھنے کے لئے کوشاں رہے گی۔

اعتراف:

ہم اپنے قابل قدر صارفین کے تہدول سے شکرگزار ہیں کہ انہوں نے ہماری مصنوعات پر بھروسہ کیا اور مسلسل دلچسپی دکھائی۔ اور ہم پر امید رکھتے ہیں کہ وہ ہم پر اپنا اعتماد، تعاون اور بھروسہ جاری رکھے گے۔ ہم بینکاروں اور ضابطی اداروں کے قیمتی تعاون پر ان کے شکرگزار ہیں۔
آخر میں ہم اپنے ملازمین کے شکرگزار ہیں جن کی پُر عزم مگن اور انتھک محنت کمپنی کی کامیابی کا باعث ہے۔

بورڈ کی جانب سے



محمد راحت صادق

کمپنی کا سربراہ

مورخہ 28 اگست 2017

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of The United Insurance Company of Pakistan Limited

Review Report on the Quarterly Accounts

Introduction

We have reviewed the accompanying second quarterly statement of financial position of The United Insurance Company of Pakistan Limited as at June 30, 2017 and the related statement of comprehensive income, cash flow statement, statement of changes in equity and the notes to the accounts for the six-month period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this six monthly financial information based on our review.

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 six monthly 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 interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The financial statements of the company for the year ended December 31, 2016 and half year ended June 30, 2016 were audited and reviewed respectively by another auditor whose reports dated April 06, 2017, and August 30, 2016, expressed unqualified opinion / conclusion on those statements.



ILYAS SAEED & CO.

Chartered Accountants
Engagement Partner: Muhammad Ilyas
Place: Lahore

Date: August 28, 2017

Condensed Interim Financial Statements

For The Six Months Period Ended June 30, 2017

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at June 30, 2017 (Un-Audited)

	Note	Un-Audited June 30, 2017 Rupees	Audited December 31, 2016 Rupees
Assets			
Property and equipment	5	852,868,247	841,897,391
Intangible assets	6	5,217,346	6,250,416
Investment property	7	2,644,889	2,712,135
Investment in subsidiary and associate	8	235,328,843	148,712,806
Investments			
Equity Securities	9	157,315,179	39,388,052
Government Securities	10	339,163,907	414,347,940
Term deposits & Others	11	382,701,748	632,971,449
Loans and other receivables	12	74,880,137	170,176,053
Total assets in window takaful operations	12 A	296,752,928	259,197,696
Insurance / Reinsurance receivables	13	1,467,096,991	1,211,143,593
Reinsurance recoveries against outstanding claims	25	593,627,887	581,301,466
Salvage recoveries accrued		-	-
Deferred commission expense/ Acquisition cost	26	212,557,924	197,015,310
Deferred taxation	15	-	-
Taxation-Payment less provisions		-	-
Prepayments	16	613,421,798	595,977,299
Cash & Bank	17	451,845,606	365,488,217
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TOTAL ASSETS		5,685,423,430	5,466,579,823



Mohammed Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at June 30, 2017 (Un-Audited)

	Note	Un-Audited June 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		572,960,057	677,076,606
Total Equity		2,649,627,974	2,555,392,523
Surplus on revaluation of fixed assets			
		81,530,181	81,941,687
Liabilities			
Total liabilities in window takaful operations	12 A	55,561,729	60,293,684
Underwriting provisions			
Provision for outstanding claims (including IBNR)	25	816,812,020	791,222,496
Unearned premium reserves	24	1,588,458,559	1,490,001,500
Premium deficiency reserve		-	1,696,000
Unearned re-insurance commission	26	113,075,442	83,462,765
Retirement benefit obligations	14	34,378,111	58,683,316
Deferred taxation	15	12,048,130	14,332,308
Borrowings	20	94,359,240	80,605,304
Premium received in advance		-	-
Insurance / Reinsurance payables	21	88,154,523	146,211,061
Other Creditors and Accruals	22	146,033,899	85,031,576
Taxation - Provision less payments		5,383,622	17,705,603
		2,898,703,546	2,768,951,929
TOTAL LIABILITIES		2,954,265,275	2,829,245,613
TOTAL EQUITY AND LIABILITIES		5,685,423,430	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.



Taseer Yousaf Makhdoom
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the Quarter and Six Months Period Ended June 30, 2017 (Un-Audited)

	Note	Quarter Ended		Six Months Ended	
		June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
		Aggregate	Aggregate	Aggregate	Aggregate
----- Rupees -----					
Net insurance premium	24	772,132,598	619,491,495	1,640,767,277	1,230,802,859
Net insurance claims	25	(359,650,461)	(313,075,960)	(749,932,332)	(532,629,094)
Premium deficiency		-	-	1,696,000	-
Net Commission and other acquisition costs	26	(53,352,789)	(42,717,531)	(116,322,298)	(80,526,875)
Insurance claims and acquisition expenses		(413,003,250)	(355,793,491)	(864,558,630)	(613,155,969)
Management expenses	27	(184,818,601)	(155,113,792)	(296,506,581)	(259,713,315)
Underwriting results		174,310,747	108,584,212	479,702,066	357,933,575
Investment income	28	6,537,990	24,202,461	67,930,140	48,324,716
Rental income	29	685,078	348,000	1,258,078	696,000
Other income	30	15,635,182	7,523,432	17,893,116	8,423,088
Other expenses	31	(85,051,827)	(51,208,537)	(171,672,779)	(131,329,715)
		(62,193,577)	(19,134,644)	(84,591,445)	(73,885,911)
Results of operating activities		112,117,170	89,449,568	395,110,621	284,047,664
Finance cost	32	(4,228,986)	(3,580,425)	(8,325,790)	(6,615,420)
Share of (loss) / profit from associate		(40,385,881)	21,396,680	(117,310,461)	19,445,900
Profit from window takaful operations		21,775,474	27,344,801	41,807,023	29,224,259
Profit / (loss) before tax for the period		89,277,777	134,610,624	311,281,393	326,102,403
Income tax expense	33	(5,798,840)	(19,798,575)	(37,648,840)	(44,348,315)
Profit after tax for the period		83,478,937	114,812,049	273,632,553	281,754,088
Other comprehensive income for the period					
Actuarial (loss) / gain on defined benefit plan		(76,360)	631,777	623,840	385,924
Incremental depreciation net of deferred tax		205,753	201,814	411,506	409,651
Share of other comprehensive (loss) / income from associate		36,548	(228,657)	(592,612)	(228,657)
		165,941	604,934	442,734	566,918
Share of other comprehensive (loss) / income from takaful		(392,174)	-	480,164	(86,418)
Total comprehensive income for the period		83,252,704	115,416,983	274,555,451	282,234,588
Earnings (after tax) per share - basic and diluted [Restated]	34	0.42	0.57	1.37	1.41

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



Taseer Yousaf Makhdoom
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM CASH FLOW STATEMENT

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

	June 30, 2017	June 30, 2016
	Rupees	Rupees
OPERATING CASH FLOWS		
a) Underwriting activities		
Insurance premium received	2,133,473,539	1,730,553,698
Reinsurance premium paid	(746,961,778)	(650,383,130)
Claims paid	(1,056,210,274)	(800,987,216)
Reinsurance and other recoveries received	349,308,919	411,568,933
Commission paid	(237,713,715)	(280,312,296)
Commission received	135,461,480	114,060,924
Management expenses paid	(296,506,581)	(259,713,315)
Net cash flow from underwriting activities	280,851,590	264,787,598
b) Other operating activities		
Income tax paid	(52,254,999)	(37,793,429)
General expenses paid	(34,714,807)	(22,366,993)
Other operating receipts/(payments)	97,815,509	(1,681,663)
Loan to employees and agents	(2,744,332)	(3,196,317)
Net cash flows from other operating activities	8,101,371	(65,038,402)
Total cash flows from all operating activities	288,952,962	199,749,196
INVESTMENT ACTIVITIES		
Investment income received	68,555,213	53,899,892
Rental income received	1,258,078	696,000
Net assets in Window Takaful Operations	(42,287,187)	(48,137,842)
Sale/(Purchase) of investment & Fixed Deposits	803,819	(40,507,372)
Fixed capital expenditure	(21,486,733)	(132,768,955)
Proceeds from disposal of property and equipment	9,382,090	5,907,400
Net cash flow from investing activities	16,225,280	(160,910,877)
FINANCING ACTIVITIES		
Finance leases charges paid	(8,325,790)	(6,615,420)
Payments on finance leases	(30,175,064)	(25,592,295)
Dividends paid	(180,320,000)	-
Net cash flow from financing activities	(218,820,854)	(32,207,715)
Net cash (outflow)/ inflow from all activities	86,357,389	6,630,604
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	451,845,606	331,452,890

CONDENSED INTERIM CASH FLOW STATEMENT

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

	June 30, 2017	June 30, 2016
	Rupees	Rupees
Reconciliation to statement of comprehensive income		
Operating cash flows	288,952,962	199,749,197
Depreciation / Amortization	(52,061,892)	(50,025,144)
Lease finance charges	(2,885,398)	(6,615,420)
Car ljarah expense	(5,440,392)	-
Profit on disposal of property and equipment	5,888,789	3,672,627
Dividend income	5,671,475	1,700,506
Gain & other investment income	63,362,796	46,624,210
Reversal/(Provision) for impairment in value of investments	(1,104,131)	5,146,985
Share of profit / (loss) from associate	(117,310,461)	19,445,900
Income from Window Takaful Operations	41,807,023	29,224,259
Increase/(Decrease) in Assets other than cash	171,771,444	18,452,108
(Increase)/Decrease in Liabilities other than borrowings	(125,019,662)	14,378,860
Profit after Taxation for the period	273,632,553	281,754,088

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



Taseer Yousaf Makhdoom
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the Quarter and Six Months Period Ended June 30, 2017 (Un-Audited)

Description	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 six months period ended June 30, 2016	-	-	-	281,754,088	281,754,088
Other comprehensive income	-	-	-	480,500	480,500
Total comprehensive income	-	-	-	282,234,588	282,234,588
Balance as at June 30, 2016 (Unaudited)	1,803,200,000	-	75,115,917	667,928,425	2,546,244,342
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 six months period ended June 30, 2017	-	-	-	273,632,553	273,632,553
Other comprehensive income	-	-	-	922,898	922,898
Total comprehensive income	-	-	-	274,555,451	274,555,451
Transferred to general reserve	-	-	-	-	-
Balance as at June 30, 2017 (Unaudited)	2,001,552,000	-	75,115,917	572,960,057	2,649,627,974

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



Taseer Yousaf Makhdoom
Director



Javaid Sadiq
Chairman

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Period Ended June 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 year, the Companies Ordinance, 1984, has been repealed and the Companies Act, 2017 (the Act) has been promulgated. However, the Securities and Exchange Commission of Pakistan (SECP) vide its circular no. 17 of 2017 dated July 20, 2017 under section 509 of the Act, has communicated Commission's decision that the companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements including the interim and quarterly financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

These condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and the requirements of the repealed Companies Ordinance, 1984, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules 2012 read with Circular No. 25 of 2015 issued on July 9, 2015 and the directives issued by SECP. Wherever the requirements of the repealed Companies Ordinance, 1984, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules 2012 read with Circular No. 25 of 2015 issued on July 9, 2015 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the repealed Companies Ordinance, 1984, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules 2012 read with Circular No. 25 of 2015 issued on July 9, 2015 or the requirements of the said directives take precedence.

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.

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Period Ended June 30, 2017 (Un-Audited)

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, 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 June 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 Six Months Period Ended June 30, 2017 (Un-Audited)

	Note	Un-Audited June 30, 2017 Rupees	Audited December 31, 2016 Rupees
5	PROPERTY AND EQUIPMENT		
	Operating assets at net book value - Owned	5.1 735,410,744	734,898,904
	Operating assets at net book value - Leased	5.2 117,457,503	106,998,487
	Capital work-in-progress	-	-
		852,868,247	841,897,391
5.1	OPENING NET BOOK VALUE	734,898,904	570,699,180
	Add: Additions made during the period at cost	21,486,733	229,661,427
	Add: Transfers made during the period at cost	39,596,000	23,664,500
	Add: Accumulated depreciation reversed on disposals made during the period	10,795,690	11,765,533
	Less: Disposals made during the period at cost	14,278,992	14,670,804
	Less: Accumulated depreciation reversed on matured assets made during the period	18,547,252	11,180,582
	Less: Depreciation for the period	38,540,339	75,040,350
		511,840	164,199,724
	Closing net book value	735,410,744	734,898,904
5.2	OPENING NET BOOK VALUE	106,998,487	124,865,934
	Add: Additions made during the period at cost	43,929,000	22,683,000
	Less: Transfers made during the period at cost	39,596,000	23,664,500
	Add: Accumulated depreciation reversed on matured assets made during the period	18,547,254	11,180,582
	Less: Depreciation for the period	12,421,238	28,066,529
		10,459,016	(17,867,447)
	Closing net book value	117,457,503	106,998,487
6	INTANGIBLE ASSETS		
	Net book value	5,217,346	6,250,416
7	INVESTMENT PROPERTY		
	Net book value	2,644,889	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 Six Months Period Ended June 30, 2017 (Un-Audited)

8.2 Particulars of investment in associate				Un-Audited	Audited
2017	2016	Face value per share	Note	June 30, 2017	December 31, 2016
Number of shares				Rupees	Rupees
103,224,820	82,772,909	10	8.2.1	235,328,843	148,712,806
103,224,820	82,772,909	10		235,328,843	148,712,806

Market value of investment and percentage of holding in associate as at June 30, 2017 are Rs. 649,284,118/- and 46.92% respectively [December 31, 2016: Rs. 703,569,727/- and 37.62%]. 103,224,820/- (December 31, 2016: 82,772,909/-) number of shares in associate as at June 30, 2017 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	204,519,110	-
	353,231,916	426,142,564
Less: Share of (loss) of associate for the period	(117,310,461)	(276,733,384)
Less: Share of other comprehensive (loss) of associate for the period	(592,612)	(696,374)
Closing balance	235,328,843	148,712,806

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

Total assets	13,509,175,159	13,554,003,018
Total liabilities	(12,955,276,786)	(12,846,803,580)
Net assets	553,898,373	707,199,438
Company's share of net asset of associate	259,889,117	266,076,717
Total revenue	820,391,433	1,441,502,272
(Loss) after taxation	(250,022,294)	(735,523,560)

9 EQUITY SECURITIES

The equity securities comprise of the following:

Available for sale

Ordinary shares of listed companies - at cost	161,233,055	10,973,817
Mutual fund certificates - at cost	-	31,227,980
	161,233,055	42,201,797
Less: Provision for impairment in value of investment	3,917,876	2,813,745
Closing balance	157,315,179	39,388,052

Market value of available for sale investments [Ordinary shares listed] on June 30, 2017 is Rs. 157,915,097/- [December 31, 2016: Rs. 8,447,969/-].

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Period Ended June 30, 2017 (Un-Audited)

	Note	Un-Audited June 30, 2017 Rupees	Audited December 31, 2016 Rupees
10	GOVERNMENT SECURITIES		
	The Government securities comprise of the following:		
	Pakistan Investment Bonds - Available for sale	52,067,285	130,360,451
	Pakistan Investment Bonds - Held to maturity	287,096,622	283,987,489
		339,163,907	414,347,940
11	TERM DEPOSITS & OTHERS		
11.1	Term deposits		
	The term deposits comprise of the following:		
	Deposits maturing within 12 months	95,295,888	138,190,119
	Deposits maturing after 12 months	37,620,385	32,570,160
		132,916,273	170,760,279
11.2	Others		
	The others comprise of the following:		
	Share deposit money	100,000,000	300,000,000
	Advance for purchase of shares	149,785,475	162,211,170
		249,785,475	462,211,170
		382,701,748	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	20,139,143	17,394,811
	Accrued investment income	15,139,887	13,556,698
	Sundry receivables	39,601,107	139,224,544
		74,880,137	170,176,053
12.1	Receivable from related parties	-	66,514,865
	Branch balances	25,976,523	43,011,835
	Other receivables	13,624,584	29,697,844
		39,601,107	139,224,544

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Period Ended June 30, 2017 (Un-Audited)

	Note	Un-Audited June 30, 2017 Rupees	Audited December 31, 2016 Rupees
12 A INVESTMENT IN WINDOW TAKAFUL OPERATIONS (WTO)			
Total assets in Operator's fund		296,752,928	259,197,696
Total liabilities in Operator's fund		(55,561,729)	(60,293,684)
Net assets in Window Takaful Operations (WTO)	12 A.1	241,191,199	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		41,807,023	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
		241,191,199	198,904,012
13 INSURANCE / REINSURANCE RECEIVABLES			
- Unsecured and considered good			
Due from insurance contract holders	13.1	994,948,162	709,226,890
Due from other Insurers / reinsureres contract holders		472,148,829	501,916,703
		1,467,096,991	1,211,143,593
13.1 Due from insurance contract holders		1,001,649,969	721,234,420
Less: Provision for impairment of receivables from insurance contract holders		6,701,807	12,007,530
		994,948,162	709,226,890
14 RETIREMENT BENEFIT OBLIGATIONS			
Total liability at period end		34,378,111	58,683,316
15 DEFERRED TAXATION			
Deferred tax liability		12,048,130	14,332,308

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Period Ended June 30, 2017 (Un-Audited)

	Note	Un-Audited June 30, 2017 Rupees	Audited December 31, 2016 Rupees
16			
PREPAYMENTS			
Prepaid reinsurance premium ceded	24	611,613,871	595,977,299
Prepaid rent		1,807,927	-
		613,421,798	595,977,299

17			
CASH & BANK			
Cash and cash equivalents			
- cash in hand		303,578	160,190
Cash at bank			
- Current accounts		332,262,937	281,389,191
- Saving accounts		119,279,091	83,938,836
		451,542,028	365,328,027
		451,845,606	365,488,217

18					
SHARE CAPITAL					
18.1					
Authorized share capital					
	June 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 issuedf as fully paid bonus shares	1,891,917,250	1,693,565,250
	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 Six Months Period Ended June 30, 2017 (Un-Audited)

June 30, 2017	December 31, 2016	Note	Un-Audited June 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			20.1	94,359,240	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			30,175,064	52,721,873	
			13,753,936	(30,038,873)	
Closing Balance			94,359,240	80,605,304	
21 INSURANCE / REINSURANCE PAYABLES					
Due to insurance contract holders			17,787,543	51,229,137	
Due to other insurers / reinsurers			70,366,980	94,981,924	
			88,154,523	146,211,061	
22 OTHER CREDITORS AND ACCRUALS					
Accrued expenses			11,914,968	7,402,019	
Other creditors and accruals			134,118,931	77,629,557	
			146,033,899	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 Six Months Period Ended June 30, 2017 (Un-Audited)

	Note	Un-Audited June 30, 2017 Rupees	Audited December 31, 2016 Rupees
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23.2 Commitments in respect of operating ljarah

There are following commitments on balance sheet date

For future ljarah rentals payable	23.2.1	23,791,194	32,050,865
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	23,791,194	32,050,865
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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	12,910,410	20,351,633

	23,791,194	32,050,865
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	Quarter Ended		Six Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016

----- Rupees -----

24 NET INSURANCE PREMIUM

Written Gross Premium	980,716,560	941,494,011	2,412,493,004	1,829,916,732
Add: Unearned premium reserve - Opening	1,735,899,932	1,343,847,921	1,490,001,500	1,389,096,411
Less: Unearned premium reserve - Closing	1,588,458,559	1,411,840,551	1,588,458,559	1,411,840,551
Premium earned	1,128,157,933	873,501,382	2,314,035,945	1,807,172,594

Less: Reinsurance premium ceded	331,251,281	397,109,904	688,905,240	629,318,753
Add: Prepaid reinsurance premium - Opening	636,387,925	427,128,182	595,977,299	517,279,181
Less: Prepaid reinsurance premium - Closing	611,613,871	570,228,199	611,613,871	570,228,199
Reinsurance expense	356,025,335	254,009,887	673,268,668	576,369,735

	772,132,598	619,491,495	1,640,767,277	1,230,802,859
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25 NET INSURANCE CLAIMS

Claims Paid	412,657,514	447,596,115	1,056,210,274	800,987,216
Add: Outstanding claims including IBNR - Closing	816,812,020	764,969,447	816,812,020	764,969,447
Less: Outstanding claims including IBNR - Opening	810,515,850	759,966,076	791,222,496	800,096,330

Claims expense	418,953,684	452,599,486	1,081,799,798	765,860,333
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Less: Reinsurance and other recoveries received	66,860,334	141,094,453	319,541,045	279,719,235
Add: Reinsurance and other recoveries in respect of outstanding claims - Closing	593,627,887	640,273,322	593,627,887	640,273,322
Less: Reinsurance and other recoveries in respect of outstanding claims - Opening	601,184,998	641,844,249	581,301,466	686,761,318

Reinsurance and other recoveries revenue	59,303,223	139,523,526	331,867,466	233,231,239
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	359,650,461	313,075,960	749,932,332	532,629,094
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NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Period Ended June 30, 2017 (Un-Audited)

	Quarter Ended		Six Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
	----- Rupees -----			
26	NET COMMISSION AND OTHER ACQUISITION COSTS			
Commission paid or payable	139,589,980	212,646,012	237,713,715	280,312,296
Add: Deferred commission expense - Opening	189,777,330	147,555,638	197,015,310	177,257,172
Less: Deferred commission expense - Closing	212,557,924	265,059,722	212,557,924	265,059,722
Net Commission	116,809,386	95,141,928	222,171,101	192,509,746
Less: Commission received or recoverable	68,631,000	76,763,624	135,461,480	114,060,924
Add: Unearned re-insurance commission -Opening	107,901,039	81,322,758	83,462,765	103,583,933
Less: Unearned re-insurance commission -Closing	113,075,442	105,661,985	113,075,442	105,661,985
Commission from reinsurers	63,456,597	52,424,397	105,848,803	111,982,871
	53,352,789	42,717,531	116,322,298	80,526,875
27	MANAGEMENT EXPENSES			
	184,818,601	155,113,792	296,506,581	259,713,315
28	INVESTMENT INCOME			
Income from non-trading investments				
Available for sale	3,680,544	19,581,280	50,424,899	34,611,947
Held to maturity	4,888,373	3,880,075	20,281,372	8,737,384
	8,568,917	23,461,355	70,706,271	43,349,331
(Provision) / Reversal for impairment in value of investment	(981,630)	741,756	(1,104,131)	5,146,985
Investment related expenses	(1,049,297)	(650)	(1,672,000)	(171,600)
NET INVESTMENT INCOME	6,537,990	24,202,461	67,930,140	48,324,716
29	RENTAL INCOME			
	685,078	348,000	1,258,078	696,000
30	OTHER INCOME			
	15,635,182	7,523,432	17,893,116	8,423,088
31	OTHER EXPENSES			
	85,051,827	51,208,537	171,672,779	131,329,715
32	FINANCE COST			
Finance Lease Charges	1,508,790	3,580,425	2,885,398	6,615,420
Car Ijarah expenses	2,720,196	-	5,440,392	-
	4,228,986	3,580,425	8,325,790	6,615,420
33	TAXATION			
For the period				
-Current	9,933,018	20,000,000	39,933,018	45,000,000
-Prior period's	-	-	-	-
-Deferred (income)	(4,134,178)	(201,425)	(2,284,178)	(651,685)
	5,798,840	19,798,575	37,648,840	44,348,315

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Period Ended June 30, 2017 (Un-Audited)

Quarter Ended		Six Months Ended	
June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016

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

	Number of shares		Number of shares	
Profit after tax for the period	83,478,937	114,812,049	273,632,553	281,754,088
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)	0.42	0.57	1.37	1.41

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	8,736,000	7,536,000
Remuneration of key management personnel during the period	36,427,710	34,257,501	69,177,096	53,219,634

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 June 30, 2017	Audited December 31, 2016
Balances at period end:			
Associated undertakings	(Payable) / Receivable at period end	(1,374,316)	66,514,865
	Investment through equity shares at period end	235,328,843	148,712,806
	Investment through fixed deposits at period end	2,500,000	2,500,000
	Share deposit money at period end	100,000,000	300,000,000
	Bank deposits at period end	2,848,574	16,806,983
	Claims lodged/payable at period end	29,254,899	35,969,629

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Period Ended June 30, 2017 (Un-Audited)

Nature of relationship	Nature of transaction	As at	
		Un-Audited June 30, 2017	Audited December 31, 2016
Associated persons	Advance for purchase of shares at period end	-	90,102,990
Key management personnel	Loan to key management personnel period end	4,636,300	7,713,531
Staff retirement benefits plan	(Payable to) defined benefit plan period end	(34,378,111)	(58,683,316)
	Benefits due but unpaid at period end	-	6,712,500

Nature of relationship	Nature of transaction	Quarter Ended		Six Months Ended	
		June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Associated undertakings	Motor tracking devices purchased during the period	6,851,000	8,032,500	13,588,500	36,379,500
	Motor tracking device charges paid during the period	10,647,140	16,739,565	22,300,800	38,321,389
	Device monitoring charges paid during the period	4,642,000	6,667,000	9,629,000	22,168,340
	Rental income received during the period	487,500	150,000	675,000	300,000
	Health service charges during the period	6,760,797	2,187,272	6,946,853	3,703,111
	Interest received on bank deposits during the period	69,270	1,935	137,122	11,815
	Cash deposited in bank deposits during the period	40,827,317	112,466,652	64,575,539	184,740,895
	Cash withdrawals in bank deposits during the period	52,973,279	113,055,322	76,113,244	190,004,692
	Insurance premium received during the period	-	4,316,810	-	5,565,007
	Claims paid during the period	3,657,736	-	17,157,360	-
	Share deposit money paid during the period	100,000,000	-	100,000,000	-
Associated persons	Advance for purchase of shares paid during the period	-	-	42,307,940	-
Key management personnel	Remuneration of key management personnel during the period	36,427,710	34,257,501	69,177,096	53,219,634
Staff retirement benefits plan	Provision for gratuity during period	1,397,327	4,620,719	6,986,634	9,649,945
	Benefits paid during the period	45,492,000	890,500	46,332,000	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	
	June 30, 2017		June 30, 2016		Half yearly ended		June 30, 2017		June 30, 2016		Un-audited	
	2017	2016	2017	2016	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016	2017	2016	2017	2016
	Rupees in thousand											
Gross premium	349,110	344,543	130,219	117,489	445,149	505,910	481,095	341,679	1,006,919	520,296	2,412,493	1,829,917
Premium earned	353,763	421,908	134,910	207,975	444,626	449,633	368,687	193,432	1,012,051	534,225	2,314,036	1,807,173
Premium ceded expense	170,294	191,620	25,174	126,916	163,677	101,798	61,954	73,064	252,169	82,971	673,249	576,370
Net premium	183,469	230,288	109,735	81,058	280,949	347,835	306,733	120,368	759,882	451,254	1,640,767	1,230,803
Commission income	13,040	39,821	710	21,817	35,359	20,281	13,553	12,627	43,187	17,437	105,849	111,983
Net underwriting income	196,509	270,109	110,445	102,875	316,308	368,116	320,285	132,995	803,069	468,691	1,746,616	1,342,786
Claims expense	209,481	287,090	62,954	76,775	186,762	169,226	30,209	29,114	592,393	223,654	1,081,800	765,860
Reinsurance and other recoveries revenue	64,898	134,117	13,810	28,202	22,914	13,347	4,554	2,888	225,691	35,821	331,867	233,231
Net claims	144,582	152,873	49,145	48,573	163,848	155,879	25,655	26,276	366,702	187,833	749,932	532,629
Commission expense	64,442	62,077	11,606	22,126	52,195	51,367	27,649	36,231	66,280	20,708	222,171	192,510
Management expenses	38,287	48,900	14,281	16,675	80,749	71,802	52,761	48,493	110,428	73,844	296,507	259,713
Premium deficiency expense	-	-	-	-	-	-	-	-	1,696	-	-	1,696
Net claims & expenses	247,311	245,094	75,032	67,374	296,792	279,048	106,066	110,950	541,714	282,385	1,266,914	984,852
Underwriting results	-50,802	25,015	35,413	35,501	19,516	89,067	214,220	22,045	261,355	186,305	479,702	357,934
Investment income											67,930	48,325
Rental income											1,258	696
Other income											17,893	8,423
Other expenses											(171,673)	(131,330)
Finance costs											(8,326)	(6,615)
Share of (Loss)/profit from associate											(117,310)	19,446
Profit from window takaful operations											41,807	29,224
Profit before tax for the period											311,281	326,102
	FIRE		MARINE		MOTOR		CROP		MISCELLANEOUS		TOTAL	
	June 30, 2017		June 30, 2016		As at		June 30, 2017		June 30, 2016		Un-audited	
	2017	2016	2017	2016	Dec. 31, 2016	Dec. 31, 2016	June 30, 2017	June 30, 2016	Dec. 31, 2016	Dec. 31, 2016	June 30, 2017	Dec. 31, 2016
	Rupees in thousand											
Conventional	554,916	906,237	118,851	132,348	548,724	460,136	393,477	184,594	1,268,929	902,123	2,884,897	2,585,438
Segment assets - Takaful [OPF]	76,561	18,363	33,654	687	44,139	15,077	-	-	57,456	2,053	211,810	223,017
Segment assets												
Unallocated assets - Conventional											2,503,773	2,621,945
Unallocated assets - Takaful [OPF]											84,943	36,180
Consolidated total assets											5,685,423	5,466,580

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Period Ended June 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(I)/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 August 28, 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



Taseer Yousaf Makhdoom
Director



Javaid Sadiq
Chairman

**United
Window Takaful
Operations**

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of The United Insurance Company of Pakistan Limited Window Takaful Operations

Review Report on the Quarterly Accounts

Introduction

We have reviewed the accompanying second quarterly statement of financial position of The United Insurance Company of Pakistan Limited- Window Takaful Operations as at June 30, 2017 and the related statement of comprehensive income, cash flow statement, statement of changes in equity and the notes to accounts for the six month period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this six monthly financial information based on our review.


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 six monthly 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 interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The financial statements of the Company for the year ended December 31, 2016 and half year ended June 30, 2016 were audited and reviewed respectively by another auditor whose reports dated April 06, 2017, and August 30, 2016, expressed unqualified opinion/ conclusion on those statements.



ILYAS SAEED & CO.

Chartered Accountants
Engagement Partner: Muhammad Ilyas
LAHORE

Date: August 28, 2017

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United Window Takaful Operations

Condensed Interim Financial Information

For The Six Months Ended on June 30, 2017

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at June 30, 2017 (Un-Audited)

		Un-Audited June 30, 2017	Un-Audited June 30, 2017	Un-Audited June 30, 2017	Audited Dec 31, 2016
	Note	PTF	OPF	Aggregate	Aggregate
-----Rupees-----					
ASSETS					
Property and equipment	5	54,866,586	19,760,528	74,627,114	77,638,772
Investments					
Equity securities	6	7,000,000	7,500,000	14,500,000	8,500,000
Debt securities	7	61,500,277	20,139,655	81,639,932	80,581,932
Term deposits	8	45,000,000	11,000,000	56,000,000	63,000,000
Loans and other receivables	9	5,054,039	203,055,757	208,109,796	169,498,851
Takaful / Re-takaful receivables	10	203,197,184	-	203,197,184	142,674,565
Re-takaful recoveries against outstanding claims		36,995,831	-	36,995,831	14,196,873
Deferred commission expense / acquisition cost	22	-	33,819,352	33,819,352	36,180,197
Prepayments	12	60,287,732	-	60,287,732	44,918,892
Cash & Bank	13	20,684,781	1,477,637	22,162,418	14,999,226
TOTAL ASSETS		494,586,430	296,752,928	791,339,358	652,189,308

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



Muhammad Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at June 30, 2017 (Un-Audited)

		Un-Audited June 30, 2017	Un-Audited June 30, 2017	Un-Audited June 30, 2017	Audited Dec 31, 2016
Note	PTF	OPF	Aggregate	Aggregate	
-----Rupees-----					
EQUITY AND LIABILITIES					
PARTICIPANTS' TAKAFUL FUND (PTF)					
Ceded money	14	500,000	-	500,000	500,000
Accumulated deficit		(9,183,267)	-	(9,183,267)	(51,036,774)
		(8,683,267)	-	(8,683,267)	(50,536,774)
OPERATOR'S FUND (OPF)					
Statutory fund	15	-	50,000,000	50,000,000	50,000,000
Accumulated profit		-	191,191,199	191,191,199	148,904,012
		-	241,191,199	241,191,199	198,904,012
LIABILITIES					
Underwriting provisions					
Provision for outstanding claims (including IBNR)	20	57,481,492	-	57,481,492	59,800,049
Provision for unearned contribution	19	184,465,756	-	184,465,756	155,854,152
Contribution deficiency reserves		20,207,851	-	20,207,851	20,207,851
Unearned re-takaful rebate	21	11,915,182	-	11,915,182	8,612,773
Retirement benefit obligations	11	-	4,165,296	4,165,296	3,337,406
Takaful / re-takaful payables	16	16,355,385	23,132,561	39,487,946	53,539,355
Other creditors and accruals	17	212,844,031	28,263,872	241,107,903	202,470,484
TOTAL LIABILITIES		503,269,697	55,561,729	558,831,426	503,822,070
TOTAL EQUITY AND LIABILITIES		494,586,430	296,752,928	791,339,358	652,189,308
CONTINGENCIES & COMMITMENTS	18	-	-	-	-

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



Taseer Yousaf Makhdoom
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the Quarter and Six Months ended June 30, 2017 (Un-Audited)

	Note	Quarter ended		Six Months Ended	
		June 30 2017	June 30 2016	June 30 2017	June 30 2016
----- Rupees -----					
PARTICIPANTS' TAKAFUL FUND					
Net takaful contribution	19	122,340,079	113,956,530	238,212,390	206,368,137
Net takaful claims	20	(35,705,762)	(43,780,684)	(46,823,192)	(90,125,207)
Contribution deficiency reserves		-	-	-	-
Wakala fee		(63,350,671)	(70,068,996)	(128,917,564)	(111,148,120)
Net rebate on re-takaful	21	5,024,545	6,980,840	11,270,011	13,961,858
Takaful claims and acquisition expenses		(94,031,888)	(106,868,840)	(164,470,745)	(187,311,469)
Direct expenses	23	(22,534,763)	(8,161,139)	(35,356,893)	(19,122,057)
Underwriting results		5,773,428	(1,073,449)	38,384,752	(65,389)
Investment income	24	1,232,137	1,617,267	2,710,004	2,784,392
Other income	25	393,913	574,317	758,751	725,145
Surplus for the period		7,399,478	1,118,135	41,853,507	3,444,148
Operator's fund (OPF)					
Wakala fee		63,350,671	70,068,996	128,917,564	111,148,120
Net Commission and other acquisition costs	22	(14,959,739)	(17,320,732)	(36,180,054)	(34,376,940)
Management expenses	23	(21,163,502)	(18,145,716)	(40,446,231)	(35,668,261)
Investment income	24	598,199	520,610	1,007,391	674,708
Other income	25	6,523	25,462	12,021	75,533
General and administration expenses	26	(5,391,848)	(5,841,955)	(10,151,260)	(10,585,149)
Finance costs	27	(664,829)	(1,961,863)	(1,352,408)	(2,043,752)
Profit for the period		21,775,475	27,344,802	41,807,023	29,224,259
Profit after tax for the period		21,775,475	27,344,802	41,807,023	29,224,259
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		(392,174)	-	480,164	(86,418)
Total comprehensive income for the period		21,383,301	27,344,802	42,287,187	29,137,841

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



Mohammad Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Taseer Yousaf Makhdoom
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM CASH FLOW STATEMENT

For the Six Months ended June 30, 2017 (Un-Audited)

	June, 30 2017 PTF	June, 30 2017 OPF	June, 30 2017 Aggregate	June, 30 2016 Aggregate
	----- Rupees -----			
Operating cash flows:				
a) Underwriting activities:				
Contribution received	212,727,958	-	212,727,958	274,210,610
Re-takaful contribution paid	(73,498,283)	(13,483,692)	(86,981,975)	(110,133,197)
Claims paid	(90,937,959)	-	(90,937,959)	(131,731,658)
Re-takaful and other recoveries received	68,188,214	-	68,188,214	35,635,266
Commission paid	-	(33,819,209)	(33,819,209)	(21,149,483)
Wakala fee (paid)/ received	(128,917,564)	128,917,564	-	-
Rebate received	14,572,420	-	14,572,420	17,468,233
Management expenses paid	(24,179,976)	(39,121,937)	(63,301,913)	(35,668,261)
Net cash flow from underwriting activities	(22,045,190)	42,492,726	20,447,536	28,631,510
b) Other operating activities:				
General expenses paid	-	(10,151,260)	(10,151,260)	(18,835,489)
Other operating receipts/(payments)	33,575,360	(27,775,606)	5,799,754	13,547,265
Loan to employees and agents	-	(919,882)	(919,882)	-
Net cash flow from other operating activities	33,575,360	(38,846,748)	(5,271,388)	(5,288,224)
Total cash flow from all operating activities	11,530,169	3,645,978	15,176,147	23,343,287
Investing activities:				
Investment income received	571,678	2,514,699	3,086,377	2,757,993
Sale/(purchase) of investment & fixed deposits	4,052,587	(5,000,000)	(947,413)	(13,771,204)
Fixed capital expenditure	(7,905,115)	(894,396)	(8,799,511)	(36,110,639)
Net cash flow from investing activities	(3,280,850)	(3,379,697)	(6,660,547)	(47,123,850)
Financing activities:				
Ijarah liability paid	-	(1,352,408)	(1,352,408)	(2,043,754)
Qarz e hasna	-	-	-	-
Net cash flow from financing activities	-	(1,352,408)	(1,352,408)	(2,043,754)
Net cash (outflow)/ inflow from all activities	8,249,319	(1,086,127)	7,163,192	(25,824,317)
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	20,684,781	1,477,637	22,162,418	11,278,559

CONDENSED INTERIM CASH FLOW STATEMENT

For the Six Months ended June 30, 2017 (Un-Audited)

	June, 30 2017 PTF	June, 30 2017 OPF	June, 30 2017 Aggregate	June, 30 2016 Aggregate
	----- Rupees -----			
Reconciliation of profit and loss account				
Net cash generated from underwriting activities	11,530,169	3,645,977	15,176,146	23,343,287
Depreciation	(10,418,166)	(1,312,273)	(11,730,439)	(10,071,039)
Rentals on car ijarah	-	(1,352,408)	(1,352,408)	(2,043,752)
Increase/ (decrease) in assets other than cash	97,772,811	35,566,545	133,339,356	85,781,992
(Increase)/ decrease in liabilities	(59,741,311)	4,731,955	(55,009,356)	(48,887,599)
Investment income	2,710,004	1,007,391	3,717,395	3,459,100
Profit for the period	41,853,507	42,287,187	84,140,694	51,581,989
Attributed to:				
Participants' takaful fund (PTF)	41,853,507	-	41,853,507	3,444,148
Operator's fund (OPF)	-	42,287,187	42,287,187	48,137,841
	41,853,507	42,287,187	84,140,694	51,581,989

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



Mohammad Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Taseer Yousaf Makhdoom
Director



Javaid Sadiq
Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the Quarter and Six Months ended June 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 June 30, 2016	-	3,444,148	3,444,148
Qarz-e-hasna for the period	-	(19,000,000)	(19,000,000)
Balance as at June 30, 2016 (Unaudited)	500,000	(13,689,921)	(13,189,921)
Deficit for the six months period ended December 31, 2016	-	(37,346,853)	(37,346,853)
Qarz-e-hasna for the period	-	-	-
Balance as at December 31, 2016 (Audited)	500,000	(51,036,774)	(50,536,774)
Surplus for the period ended June 30, 2017	-	41,853,507	41,853,507
Qarz-e-hasna for the period	-	-	-
Transferred to general reserve	-	-	-
Balance as at June 30, 2017 (Un-Audited)	500,000	(9,183,267)	(8,683,267)
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 June 30, 2016	-	29,224,259	29,224,259
Qarz-e-hasna returned for the period	-	19,000,000	19,000,000
Other comprehensive income for the period	-	(86,418)	(86,418)
Balance as at June 30, 2016 (Un-Audited)	50,000,000	127,214,806	177,214,806
Profit for the Six Months period ended December 31, 2016	-	19,979,298	19,979,298
Qarz-e-hasna returned for the period	-	-	-
Other comprehensive income for the period	-	1,709,908	1,709,908
Balance as at December 31, 2016 (Audited)	50,000,000	148,904,012	198,904,012
Profit for the period ended June 30, 2017	-	41,807,023	41,807,023
Qarz-e-hasna returned for the period	-	-	-
Other comprehensive income for the period	-	480,164	480,164
Balance as at June 30, 2017 (Unaudited)	50,000,000	191,191,199	241,191,199

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



Mohammad Rahat Sadiq
Chief Executive Officer



Huma Waheed
Director



Taseer Yousaf Makhdoom
Director



Javaid Sadiq
Chairman

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months ended June 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 repealed 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

During the year, the Companies Ordinance, 1984, has been repealed and the Companies Act, 2017 (the Act) has been promulgated. However, the Securities and Exchange Commission of Pakistan (SECP) vide its circular no. 17 of 2017 dated July 20, 2017 under section 509 of the Act, has communicated Commission's decision that the companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements including the interim and quarterly financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

These condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and the requirements of the repealed Companies Ordinance, 1984, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules 2012 read with Circular No. 25 of 2015 issued on July 9, 2015 and the directives issued by SECP. Wherever the requirements of the repealed Companies Ordinance, 1984, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules 2012 read with Circular No. 25 of 2015 issued on July 9, 2015 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the repealed Companies Ordinance, 1984, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules 2012 read with Circular No. 25 of 2015 issued on July 9, 2015 or the requirements of the said directives take precedence.

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

This financial information 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

This financial information 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 THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months ended June 30, 2017 (Un-Audited)

2.3 STANDARDS, INTERPERTATIONS 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:

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 June 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 information 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 information, 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 June 30, 2017	Audited December 31, 2016	Un-Audited June 30, 2017	Audited December 31, 2016
	PTF	PTF	OPF	OPF

----- Rupees -----

5 PROPERTY AND EQUIPMENT

Operating assets at net book value - Owned	5.1	54,866,586	57,460,367	19,760,528	20,178,405
		54,866,586	57,460,367	19,760,528	20,178,405

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months ended June 30, 2017 (Un-Audited)

	Un-Audited June 30, 2017 PTF	Audited December 31, 2016 PTF	Un-Audited June 30, 2017 OPF	Audited December 31, 2016 OPF
----- Rupees -----				
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	7,824,385	45,385,770	894,396	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	10,418,166	(24,744,540)	1,312,273	(2,755,509)
	(2,593,781)	20,641,230	(417,877)	1,550,687
Closing net book value	54,866,586	57,460,367	19,760,528	20,178,405

6 EQUITY SECURITIES

The equity securities comprise of the following:

Available for sale

Mutual fund certificates - at cost	7,000,000	5,000,000	7,500,000	3,500,000
	7,000,000	5,000,000	7,500,000	3,500,000
Provision for impairment in value of investment	-	-	-	-
Closing balance	7,000,000	5,000,000	7,500,000	3,500,000

Market value of available for sale investments as at June 30, 2017 is Rs.7,000,000/- and Rs.7,500,000/- for PTF and OPF respectively (Dec 31, 2016: Rs. 5,129,820/- and Rs.3,533,929/- for PTF and OPF respectively)

7 DEBT SECURITIES

The debt securities comprise of the following:

Govt of Pakistan ijarah Skuus - 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	45,000,000	53,000,000	11,000,000	10,000,000
Deposits maturing after 12 months	-	-	-	-
	45,000,000	53,000,000	11,000,000	10,000,000

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months ended June 30, 2017 (Un-Audited)

Note	Un-Audited	Audited	Un-Audited	Audited		
	June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016		
	PTF	PTF	OPF	OPF		
----- Rupees -----						
9	LOANS AND OTHER RECEIVABLES					
	- Considered good					
	Receivable from related parties					
	-	-	-	-		
	Accrued investment income	1,254,858	819,145	590,683	395,378	
	Security deposits	2,462,520	1,573,107	1,174,000	1,174,000	
	Loans to employees	-	-	2,163,025	1,243,143	
	Branch balances	-	-	4,336,053	3,911,408	
	Wakala fee receivable	-	-	177,990,819	145,089,458	
	Other receivables	1,336,660	470,924	16,801,177	14,822,288	
		5,054,039	2,863,176	203,055,757	166,635,675	
10	TAKAFUL / RE-TAKAFUL RECEIVABLES					
	- Unsecured and considered good					
	Due from participants	10.1	119,287,250	9,573,669	-	-
	Due from other Insurers / reinsurers contract holders		83,909,934	133,100,896	-	-
			203,197,184	142,674,565	-	-
10.1	Due from participants		119,287,250	9,573,669	-	-
	Less: Provision for impairment of receivables from insurance contract holders		-	-	-	-
			119,287,250	9,573,669	-	-
11	RETIREMENT BENEFIT OBLIGATIONS					
	Total liability at period end		-	-	4,165,296	3,337,406
12	PREPAYMENTS					
	Prepaid re-takaful contribution ceded		60,287,732	44,918,892	-	-
	Prepaid rent		-	-	-	-
			60,287,732	44,918,892	-	-
13	CASH & BANK					
	Cash and cash equivalents					
	- cash in hand		-	-	216,124	219,448
	Cash at bank					
	- Current accounts		12,990,539	6,383,950	1,129,320	1,693,147
	- Saving accounts		7,694,242	6,051,512	132,193	651,169
			20,684,781	12,435,462	1,477,637	2,563,764

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months ended June 30, 2017 (Un-Audited)

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

16 TAKAFUL / RETAKAFUL PAYABLES				
Due to other insurers / reinsurers contract holders	16,355,385	16,923,102	23,132,561	36,616,253

17 OTHER CREDITORS AND ACCRUALS				
Provision for government levies	-	386,371		17,450,433
Payable to related parties	-	-	-	-
Accrued expenses	-	-	-	638,982
Wakala fee payable	177,990,818	145,089,458		
Others	34,853,213	36,654,630	28,263,872	2,250,610
	212,844,031	182,130,459	28,263,872	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	4,411,220	5,786,062
			4,411,220	5,786,062

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months ended June 30, 2017 (Un-Audited)

	Quarter Ended		Six Months Ended		
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016	
----- R u p e e s -----					
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	-	-	1,660,904	3,036,062
				4,411,220	5,786,062

19 NET TAKAFUL CONTRIBUTION

Written gross contribution	160,929,041	144,089,323	322,441,539	277,870,295
Add: Provision for unearned contribution - Opening	173,586,897	163,451,958	155,854,152	155,932,108
Less: Provision for unearned contribution - Closing	(184,465,756)	(159,787,095)	(184,465,756)	(159,787,095)
Contribution earned	150,050,182	147,754,186	293,829,935	274,015,308
Less: Re-takaful contribution ceded	44,080,444	43,908,569	70,986,385	84,268,616
Add: Prepaid re-takaful contribution - Opening	43,917,391	51,688,631	44,918,892	45,178,099
Less: Prepaid re-takaful contribution - Closing	(60,287,732)	(61,799,544)	(60,287,732)	(61,799,544)
Re-takaful expense	(27,710,103)	(33,797,656)	(55,617,545)	(67,647,171)
	122,340,079	113,956,530	238,212,390	206,368,137

20 NET TAKAFUL CLAIMS

Claims Paid	65,722,576	54,515,153	90,937,959	131,731,658
Add: Outstanding claims including IBNR - Closing	57,481,492	30,981,492	57,481,492	30,981,492
Less: Outstanding claims including IBNR - Opening	(101,605,389)	(29,185,276)	(59,800,049)	(27,963,453)
Claims expense	21,598,679	56,311,369	88,619,402	134,749,697
Less: Reinsurance and other recoveries received	14,554,857	15,660,907	18,997,252	48,009,426
Add: Reinsurance and other recoveries in respect of outstanding claims - Closing	36,995,831	6,099,076	36,995,831	6,099,076
Less: Reinsurance and other recoveries in respect of outstanding claims - Opening	(65,657,771)	(9,229,298)	(14,196,873)	(9,484,012)
Reinsurance and other recoveries revenue	(14,107,083)	12,530,685	41,796,210	44,624,490
	35,705,762	43,780,684	46,823,192	90,125,207

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months ended June 30, 2017 (Un-Audited)

	Quarter Ended		Six Months Ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
----- Rupees -----				
21	NET REBATE ON RETAKAFUL			
Rebate received or recoverable	8,650,322	9,346,659	14,572,420	17,468,233
Add: Unearned re-takaful rebate - Opening	8,289,405	10,066,882	8,612,773	8,926,325
Less: Unearned re-takaful rebate - Closing	(11,915,182)	(12,432,701)	(11,915,182)	(12,432,700)
	5,024,545	6,980,840	11,270,011	13,961,858
22	NET COMMISSION AND OTHER ACQUISITION COST			
Commission paid or payable	16,304,394	21,319,827	33,819,209	40,460,456
Add: Deferred commission expense - Opening	32,474,697	32,889,383	36,180,197	30,804,962
Less: Deferred commission expense - Closing	(33,819,352)	(36,888,478)	(33,819,352)	(36,888,478)
Net Commission	14,959,739	17,320,732	36,180,054	34,376,940
23	DIRECT EXPENSES			
PTF	(22,534,763)	(8,161,139)	(35,356,893)	(19,122,057)
OPF	(21,163,502)	(18,145,716)	(40,446,231)	(35,668,261)
24	INVESTMENT INCOME			
	Income from non-trading investments			
Net investment income PTF	1,232,137	1,617,267	2,710,004	2,784,392
Net investment income OPF	598,199	520,610	1,007,391	674,708
25	OTHER INCOME			
PTF	393,913	574,317	758,751	725,145
OPF	6,523	25,462	12,021	75,533
26	GENERAL AND ADMINISTRATION EXPENSES			
OPF	(5,391,848)	(5,841,955)	(10,151,260)	(10,585,149)
27	FINANCE COST			
OPF	(664,829)	(1,961,863)	(1,352,408)	(2,043,752)
28	COMPENSATION OF DIRECTORS & EXECUTIVES			
Remuneration of key management personnel during the period	9,936,825	2,069,350	18,497,100	11,009,100

29 SEGMENT REPORTING

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.

	Un-Audited		Audited		Un-Audited		Audited		Un-Audited		Audited	
	June 30	2016	June 30	2016	June 30	2017	June 30	2016	June 30	2017	June 30	2016
	----- Rupees -----											
(PARTICIPANTS' TAKAFUL FUND)												
Segment assets	33,845,090	80,025,300	17,395,712	18,875,410	150,551,508	81,648,384	98,688,437	21,241,237	300,480,747	201,790,331		
Unallocated assets									194,105,683	191,201,282		
Total assets									494,586,430	392,991,613		
Segment liabilities	141,861,656	76,023,556	40,422,718	9,075,873	143,494,205	119,371,920	142,637,905	56,926,578	468,416,484	261,397,927		
Unallocated liabilities									34,853,213	182,130,459		
Total liabilities									503,269,697	443,528,386		
(OPERATOR'S FUND)												
Segment assets	76,540,887	18,362,719	33,654,003	686,668	44,139,256	15,077,395	57,456,025	2,053,415	211,810,171	36,180,197		
Unallocated assets									84,942,758	223,017,499		
Total assets									296,752,929	259,197,696		
Segment liabilities	2,604,820	10,252,377	1,338,121	3,679,689	11,590,444	19,388,618	7,599,175	3,295,570	23,132,561	36,616,254		
Unallocated liabilities									32,429,168	23,412,431		
Total liabilities									55,561,729	60,028,685		

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months ended June 30, 2017 (Un-Audited)

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months ended June 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:

		Six Months Ended	
		June 30, 2017	June 30, 2016
		Rupees	Rupees
Nature of relationship	Nature of transaction		
Balances at period end:			
Associated undertakings	Receivable at period end	16,918,159	23,437,456
Key management personnel	Loan to key management personnel period end	1,963,685	416,136
Staff retirement benefits plan	(Payable to) defined benefit plan period end	4,165,296	3,339,515
		Six Months Ended	
		Quarter Ended	June 30, 2016
		June 30, 2017	June 30, 2016
Associated undertakings	Motor tracking devices purchased during the period	1,370,500	51,395,395
	Device monitoring charges paid during the period	6,950,461	2,745,575
	Rental paid during the period	50,000	-
	Health service charges during the period	-	-
Key management personnel	Remuneration of key management personnel during the period	9,936,825	2,069,350
Staff retirement benefits plan	Provision for gratuity during the period	591,081	(319,142)
		827,890	861,716

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months ended June 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. 88(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 August 28, 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



Taseer Yousaf Makhdoom
Director



Javaid Sadiq
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

