

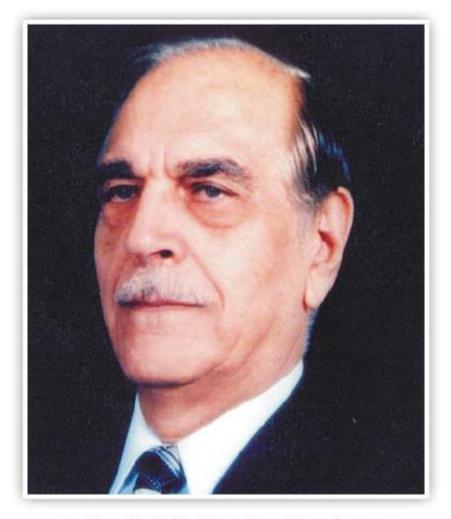
The Universal Insurance Co. Ltd.





IN THE NAME OF ALLAH THE MOST GRACIOUS, THE MOST MERCIFUL

شروع اللدك نام - جو برامبربان اورنهايت رحم كرف والاب



Lt. Gen. M. Habib Ullah Khan Khattak (Late) Founder Chairman Bibojee Group of Companies



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VISION STATEMENT

We, at Universal Insurance Company Limited recognize the importance of satisfying our customers by consistently providing quality insurance services in accordance with their needs and



MISSION STATEMENT/QUALITY POLICY

We strive to provide our customers cost effective insurance cover by continually increasing the productivity of our employees. To increase productivity, we conduct regular training programs during which employees are assessed and allocated a career path in accordance with their performance.

We diligently follow the applicable laws and ensure strict compliance by conducting regular internal audits and educating our employees about the law.

We try to improve our services by continually assessing our systems and procedures based on customers and team feedback. We strive to maintain a





CORPORATE INFORMATION

BOARD OF DIRECTORS	MR. RAZA KULI KHAN KHATTAK (Chairman)
	LT. GEN (R) ALI KULI KHAN KHATTAK
	MR. AHMED KULI KHAN KHATTAK
	BEGUM ZEB GOHAR AYUB KHAN (Chief Executive)
	MRS. SHAHNAZ SAJJAD AHMED
	DR. SHAHEEN KULI KHAN KHATTAK
	MR. MUSHTAQ AHMED KHAN F.C.A.
	CH. SHER MOHAMMAD
	MR. MOHAMMAD KULI KHAN KHATTAK
MANAGING DIRECTOR	CAPT. M. JAMIL AKHTAR KHAN
CHIEF OPERATING OFFICER	MR. OMAR AYUB KHAN
CHIEF FINANCIAL OFFICER	MR. AMIR RAZA
COMPANY SECRETARY	MR. IJAZ AHMED
INTERNAL AUDITOR	MR. ABDUL WAHEED CHAUDHRY
AUDITORS	M/S. RIAZ AHMAD & COMPANY CHARTERED ACCOUNTANTS
LEGAL ADVISOR	MR. MAQSOOD HASAN ADVOCATE
SHARE REGISTRAR	M/S HAMEED MAJEED ASSOCIATES (PVT) LTD. H.M HOUSE, 7-BANK SQUARE, LAHORE PHONE # 042-37235081-82 FAX # 042-37358817
REGISTERED OFFICE:	UNIVERSAL INSURANCE HOUSE 63-SHAHRAH-E-QUAID-E-AZAM, LAHORE, 54000 PAKISTAN. PH: 042-37353453-37353458 FAX: 042-37230326 WEB: www.uic.com.pk EMAIL: info <u>@uic.com.pk</u>



DIRECTOR'S REVIEW

The Board of Directors is pleased to present the Un-audited Financial Statements of the company for the 1st quarter ending as on 31st March 2010

FINANCIAL PERFORMANCE

The Gross Premium of the company has increased by Rs. 20.653 million over the Gross Premium of 1st quarter 2009, indicating a growth equivalent to 19%.

As the claim Ratio remained high in the 1st quarter for all classes of business except Marine the Underwriting results of the company reflect a loss of Rs. 15.538 million. The comparative financial indicators are given below

	2010	2009
	Rupees ir	millions
Gross Premium Net premium Loss/Profit from underwriting business Net claims (paid & outstanding) Management / administrative expenses Capital and reserves Loss before taxation The amount available for appropriation is:	129.478 76.001 15.538 54.776 50.267 232.192 (31.532)	108.825 89.350 5.460 52.273 43.146 252.948 (6.742)
Loss after taxation Less: Other comprehensive Income/Loss Add: Balance of un-appropriated profit –b/f-Restated Profit available for appropriation	(33.618) 0.718 44.479 11.579	(3.383) (0.583) 32.546 28.580

FUTURE OUTLOOK

The management of your company is well aware about the challenges in front of it in the shape of un-profitability resulted during the 1st quarter and has firm commitment to recover the losses incurred in the 1st quarter by enhancing the prudent underwriting policy & efficient claim settlement strategy.

ACKNOWLEDGMENT

Your Directors are pleased to record their appreciation of the dedicated efforts put-in by all members of the staff and they hope the same dedication would continue in future.

For & on behalf of the Board of Directors

Kull the Karp

Raza Kuli Khan Khattak Chairman

Dated : April 30, 2010 Place : Lahore





BALANCE SHEET AS AT 31 MARCH, 2010

	Un-audited March-10 (Rupees	Audited December-09 in '000')		Un-audited March-10 (Rupee	Audited December-09 s in '000')
SHARE CAPITAL AND RESERVES			CASH AND BANK DEPOSITS Cash and other equivalents	217	48
Authorised share capital 50,000,000 ordinary shares of Rs. 10 each	500,000	500,000	Current and other accounts	59,062	93,019
Issued, subscribed and			Deposits maturing within 12 months	18,333	65,833
paid-up share capital	210,000	210,000		77,612	158,900
Retained earnings	11,579	44,479	Loan to employees and	77,012	130,300
Reserves	10,614	10,614	agents	835	773
Suplus on revaluation of	232,193	265,093	Investment	78,422	54,757
fixed assets	120,053	120,326			
UNDERWRITING PROVISIONS			OTHER ASSETS Premiums due but unpaid -		
Provision for outstanding			unsecured, considered good	133,892	137,683
claims (including IBNR)	234,105	212,980	-		
Provision for unearned			Amount due from others		
premium	167,494	164,598	insurers / reinsurers unsecured, considered good	151,689	193,475
Commission income unearned	12,403	14,379	· · ·		
Total underwriting provisions	414,002	391,957	Accrued investment income	2,056	1,682
DEFERRED TAXATION	30,423	29,130	Reinsurance recoveries against outstanding claims	119,625	109,668
CREDITORS AND ACCRUALS			Deferred commission		
Amounts due to other insurers / reinsurers	53,355	131,000	expense	24,081	23,225
, temperere	33,333	131,000	Advance income tax / income tax refundable	5,083	5,081
			Prepayments	54,569	55,635
Taxation	3,462	2,815	Sundry receivables	20,160	26,598
Accrued expenses	6,481	6,382		511,155	553,047
Other creditors	39,678	51,326	FIXED ASSETS - Tangible Land and buildings	177,040	177,584
	102,976	191,523	Jan Start Start	,	,
Unclaimed dividend	611	610	Furniture, fixtures and		
LIABILITIES AGAINST ASSETS SUBJECT TO			office equipment	20,745	20,696
FINANCE LEASE	4,353	5,379	Motor vehicles including		
	4,000	0,010	vehicles acquired under		
TOTAL LIABILITIES	552,365	618,599	finance lease arrangements	38,802	38,261
	002,000	010,000		236,587	236,541
TOTAL EQUITY AND LIABILITIES	904,611	1,004,018	TOTAL ASSETS	904,611	1,004,018
Rappikindi Kan R	leon A	une	S. Alattak Q	#north	-00

T Raza Kuli Khan Khattak Chairman

Chief Executive

V---v Begum Zeb Gohar Ayub Khan Dr. Shaheen Kuli Khan Khattak Director

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Capt. M. Jamil Akhtar Khan Managing Director



PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31 MARCH, 2010

	Fire and	Marine and	Motor		_	
	Property	Transport	Accident	Others	1	lotal
	Damage	-	March-2010			March-2009
			Rupees in	'000'		Warch-2009
PROFIT & LOSS ACCOUNT						
Net premium revenue	20,444	11,555	34,524	9,478	76,001	89,350
Net claims	(10,595)	(3,787)	(31,319)	(9,075)	(54,776)	(52,273)
Expenses of management	(9,687)	(5,531)	(12,115)	(2,757)	(30,090)	(25,681)
Net commission	(1,472)	(746)	(2,994)	(1,461)	(6,673)	(5,936)
Underwriting result	(1,310)	1,491	(11,904)	(3,815)	(15,538)	5,460
Investment Income					3,328	5,309
Rental income					291	366
Gain on disposal of fixed assets					412	(290)
Other income					152	464
General and administrative expenses					(20,177)	(17,465)
Loss before tax					(31,532)	(17,403)
Provision for taxation					(01,002)	(0,100)
Current					647	(4,076)
Deferred					1,439	1,300
					2,086	(2,776)
Loss after tax Other comprehensive income for the	period				(33,618)	(3,380)
Investment income / (loss)					299	(586)
Depreciation on incremental value arisin	•				070	
revaluation of building (net of deferred Reversal of deferred tax on revaluation	,				272 147	-
Reversar of deferred tax of revaluation	reserve				718	(586)
Total comprehensive loss					(32,900)	(3,966)
PROFIT & LOSS APPROPRIATION ACCOUNT						
Balance at commencement of period					44,479	32,546
Loss after taxation for the period					(33,618)	(3,380)
Other comprehensive income for the pe	riod				718	(586)
Balance of unappropriated profit at the end of period					11,579	28,580
EARNINGS PER SHARE					(1.60)	(0.16)
					(1.00)	(0.10)

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Elechar Augul

S. Alaltak

CHANNED-Capt. M. Jamil Akhtar Khan

Raza Kuli Khan Khattak Chairman

Begum Zeb Gohar Ayub Khan Chief Executive

Dr. Shaheen Kuli Khan Khattak Director

Managing Director



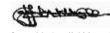


			Reserves				
	Share capital	General	Unrealised gain / (loss) on remeasu- rement of investments	Sub-total	Revaluation reserves on land & building	Retained earnings	Total
				Rupees in	'000'		
Balance as at 31 December, 2008	210,000	13,850	518	14,368	-	32,546	256,914
Revaluation reserves on							
land and building	-	-	-	-	120,379	-	120,379
Profit for the year ended 31 December, 2009 Other comprehensive income	-	-	-	-	-	8,850	8,850
Share of profit of associates - net of taxation Depreciation on incremental	-	-	-	-	-	3,001	3,001
value arising on revaluation of building (net of deferred tax)	-	-	-	-	(53)	53	-
Reversal of deferred tax on revaluation surplus	_	-	-	-	-	29	29
Adjustment on remeasurement of investments to fair value			(3,754)	(3,754)			(3,754)
			(0,101)	(0,101)			(0,101)
Balance as at							
31 December, 2009	210,000	13,850	(3,236)	10,614	120,326	44,479	385,419
Unrealised loss transferred to general reserve Unrealised loss transferred	-	-	3,236	3,236	-	-	3,236
from general reserve	0	(3,236)	-	(3,236)	-	-	(3,236)
Balance as at 31-12-2009	210,000	10,614	0	10,614	120,326	44,479	385,419
Loss for the period ended							
31 March, 2009	-	-	-	-	-	(33,618)	(33,618)
Depreciation on incremental							
value arising on revaluation							
of building (net of deferred tax)	-	-	_	-	(273)	273	-
Reversal of deferred tax on					, - ,		
revaluation surplus Adjustment on	-	-	-	-	-	146	146
remeasurement of investments to fair value	_	-	_	-	_	299	299
Balance as at							
31 March, 2010	210,000	10,614	0	10,614	120,053	11,579	352,246
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٦ Raza Kuli Khan Khattak Chairman

Begum Zeb Gohar Ayub Khan Dr. Shaheen Kuli Khan Khattak Chief Executive

~ Director



Capt. M. Jamil Akhtar Khan Managing Director



CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH, 2010

OPERATING CASH FLOWS(a) Underwriting activitiesPremiums received133,270Reinsurance premiums paid(49,647)Claims paid(28,336)Commissions paid(22,022)Reinsurance and other recoveries received45,185Commissions received45,185Commissions received45,185Commissions received30,510Vet cash inflow from underwriting activities30,510Income tax paid / refunds received - net(27,82)(b) Other operating activities(19,90)General management expenses(27,622)Other operating receipts152At Looperating receipts - net(63)Other payments / receipts in respect(40,373)of operating assets - net(63)Other payments / receipts in respect(40,373)Other payments / receipts in respect(56,775)Other payments / receipts in respect(56,775)Other payments / receipts(56,775)ALL OPERATING ACTIVITIES(56,775)INVESTING ACTIVITIES(1,221)Profit / return received(1,221)Investments-net(23,857)TOTAL CASH OUTFLOW FROM(23,272)INVESTING ACTIVITIES(23,272)Lease finances - net(216)TOTAL CASH OUTFLOW FROM(216)INVESTING ACTIVITIES(216)Lease finances - net(1,222)CASH AUD CASH EQUIVALENTS - At the beginning of the period(1,242)CASH AND CASH EQUIVALENTS - At the end of the period(7,		2010 (Rupees	2009 in '000)
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of operating assets - net(40,373)(28,800)Net cash outflow from other operating activities(87,285)(72,439)TOTAL CASH OUTFLOW FROM ALL OPERATING ACTIVITIES(56,775)(50,926)INVESTING ACTIVITIES(56,775)(50,926)INVESTING ACTIVITIES1,5451,291Dividends/rental received1,5451,291Investments-net(22,170)(1,000)Fixed capital expenditure including assets acquired under finance lease arrangements(3,857)(1,362)Proceeds from disposal of fixed assets99474TOTAL CASH OUTFLOW FROM INVESTING ACTIVITIES(23,272)(991)Ease finance charges paid Lease finances - net(216)(541) (3,471)TOTAL CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM ALL ACTIVITIES CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974		(63)	96
Net cash outflow from other operating activities(87,285)(72,439)TOTAL CASH OUTFLOW FROM ALL OPERATING ACTIVITIES(56,775)(50,926)INVESTING ACTIVITIES(56,775)(50,926)INVESTING ACTIVITIES1,5451,291Dividends/rental received2166Investments-net216(1,000)Fixed capital expenditure including assets acquired under finance lease arrangements(3,857)(1,362)Proceeds from disposal of fixed assets99474TOTAL CASH OUTFLOW FROM INVESTING ACTIVITIES(23,272)(991)FINANCING ACTIVITIES(216)(541)Lease finance charges paid(216)(541)Lease finances - net(1,242)(4,012)TOTAL CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM ALL ACTIVITIES(81,288)(55,928)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974			
TOTAL CASH OUTFLOW FROM ALL OPERATING ACTIVITIES(56,775)INVESTING ACTIVITIES1,545Profit / return received1,545Dividends/rental received1,545Investments-net216Investments-net(22,170)Fixed capital expenditure including assets acquired under finance lease arrangements(3,857)Proceeds from disposal of fixed assets994TOTAL CASH OUTFLOW FROM INVESTING ACTIVITIES(23,272)Lease finance charges paid Lease finances - net(216)TOTAL CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)Lease finance charges paid Lease finances - net(1,242)CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)NET CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)ACHIONING ACTIVITIES(1,242)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974151,974	of operating assets - net		
ALL OPERATING ACTIVITIES(56,775)(50,926)INVESTING ACTIVITIES1,5451,291Profit / return received1,5451,291Dividends/rental received2166Investments-net(22,170)(1,000)Fixed capital expenditure including assets acquired(3,857)(1,362)under finance lease arrangements99474TOTAL CASH OUTFLOW FROM(23,272)(991)INVESTING ACTIVITIES(23,272)(991)Lease finance charges paid(216)(541)Lease finances - net(1,026)(3,471)TOTAL CASH OUTFLOW FROM(1,026)(547)Lease finance charges paid(1,242)(4,012)RFINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM(15,928)(55,928)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974	Net cash outflow from other operating activities	(87,285)	(72,439)
INVESTING ACTIVITIESProfit / return received1,545Dividends/rental received1,545Investments-net216Investments-net(22,170)Fixed capital expenditure including assets acquired(3,857)under finance lease arrangements(3,857)Proceeds from disposal of fixed assets994TOTAL CASH OUTFLOW FROM(23,272)INVESTING ACTIVITIES(23,272)Lease finance charges paid(216)Lease finances - net(1,026)TOTAL CASH OUTFLOW FROM(1,026)FINANCING ACTIVITIES(1,242)Lease finances - net(1,242)TOTAL CASH OUTFLOW FROM(1,242)FINANCING ACTIVITIES(1,242)CASH OUTFLOW FROM ALL ACTIVITIES(81,288)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900	TOTAL CASH OUTFLOW FROM		
Profit / return received1,5451,291Dividends/rental received2166Investments-net(22,170)(1,000)Fixed capital expenditure including assets acquired(3,857)994under finance lease arrangements99474TOTAL CASH OUTFLOW FROM(23,272)(991)FINANCING ACTIVITIES(23,272)(991)Lease finance charges paid(216)(541)Lease finances - net(1,026)(3,471)TOTAL CASH OUTFLOW FROM(1,242)(4,012)NET CASH OUTFLOW FROM(1,242)(4,012)NET CASH OUTFLOW FROM ALL ACTIVITIES(81,288)(55,928)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974	ALL OPERATING ACTIVITIES	(56,775)	(50,926)
Dividends/rental received2166Investments-net(1,000)Fixed capital expenditure including assets acquired(3,857)(1,362)under finance lease arrangements99474TOTAL CASH OUTFLOW FROM(23,272)(991)FINANCING ACTIVITIES(23,272)(991)Lease finance charges paid(216)(541)Lease finances - net(1,026)(541)TOTAL CASH OUTFLOW FROM(1,026)(541)Lease finances - net(1,242)(4,012)NET CASH OUTFLOW FROM(1,242)(4,012)NET CASH OUTFLOW FROM ALL ACTIVITIES(81,288)(55,928)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974	INVESTING ACTIVITIES		
Investments-net(22,170)(1,000)Fixed capital expenditure including assets acquired under finance lease arrangements(3,857)(1,362)Proceeds from disposal of fixed assets99474TOTAL CASH OUTFLOW FROM INVESTING ACTIVITIES(23,272)(991)FINANCING ACTIVITIES(216)(541)Lease finance charges paid(1,026)(541)Lease finances - net(1,026)(3,471)TOTAL CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM ALL ACTIVITIES(81,288)(55,928)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974	Profit / return received	1,545	1,291
Fixed capital expenditure including assets acquired under finance lease arrangements Proceeds from disposal of fixed assets(3,857) 994(1,362) 74TOTAL CASH OUTFLOW FROM INVESTING ACTIVITIES Lease finance charges paid Lease finances - net(23,272)(991)TOTAL CASH OUTFLOW FROM FINANCING ACTIVITIES Lease finances - net(216) (541) (3,471)(541) (3,471)TOTAL CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242) (4,012)(4,012)NET CASH OUTFLOW FROM FINANCING ACTIVITIES(81,288) (55,928)(55,928) (51,974)	Dividends/rental received		-
under finance lease arrangements(3,857)(1,362)Proceeds from disposal of fixed assets99474TOTAL CASH OUTFLOW FROM INVESTING ACTIVITIES(23,272)(991)FINANCING ACTIVITIES(216)(541)Lease finance charges paid(1,026)(541)Lease finances - net(1,026)(3,471)TOTAL CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM ALL ACTIVITIES(81,288)(55,928)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974		(22,170)	(1,000)
Proceeds from disposal of fixed assets99474TOTAL CASH OUTFLOW FROM INVESTING ACTIVITIES(23,272)(991)FINANCING ACTIVITIESLease finance charges paid(216)(216)(216)(216)(3471)TOTAL CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM ALL ACTIVITIES(81,288)(55,928)CASH AND CASH EQUIVALENTS - At the beginning of the period			
TOTAL CASH OUTFLOW FROM INVESTING ACTIVITIES(23,272)FINANCING ACTIVITIES Lease finance charges paid Lease finances - net(216)TOTAL CASH OUTFLOW FROM FINANCING ACTIVITIES(1,026)FINANCING ACTIVITIES (1,026)(4,012)NET CASH OUTFLOW FROM ALL ACTIVITIES CASH AND CASH EQUIVALENTS - At the beginning of the period(81,288)(55,928)151,974	•		
INVESTING ACTIVITIES(23,272)(991)FINANCING ACTIVITIESLease finance charges paid(216)(541)Lease finances - net(1,026)(3,471)TOTAL CASH OUTFLOW FROM(1,242)(4,012)FINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM ALL ACTIVITIES(81,288)(55,928)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974	Proceeds from disposal of fixed assets	994	74
FINANCING ACTIVITIES(216)Lease finance charges paid(216)Lease finances - net(1,026)TOTAL CASH OUTFLOW FROM(1,026)FINANCING ACTIVITIES(1,242)NET CASH OUTFLOW FROM ALL ACTIVITIES(81,288)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974	TOTAL CASH OUTFLOW FROM		
Lease finance charges paid(216)(541)Lease finances - net(1,026)(3,471)TOTAL CASH OUTFLOW FROM(1,242)(4,012)FINANCING ACTIVITIES(81,288)(55,928)NET CASH OUTFLOW FROM ALL ACTIVITIES(81,288)(55,928)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974		(23,272)	(991)
Lease finances - net(1,026)(3,471)TOTAL CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM ALL ACTIVITIES(81,288)(55,928)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974			
TOTAL CASH OUTFLOW FROM FINANCING ACTIVITIES(1,242)NET CASH OUTFLOW FROM ALL ACTIVITIES CASH AND CASH EQUIVALENTS - At the beginning of the period(81,288)151,974			
FINANCING ACTIVITIES(1,242)(4,012)NET CASH OUTFLOW FROM ALL ACTIVITIES(81,288)(55,928)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974		(1,026)	(3,471)
NET CASH OUTFLOW FROM ALL ACTIVITIES(81,288)CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974			
CASH AND CASH EQUIVALENTS - At the beginning of the period158,900151,974			
		(81,288)	(55,928)
CASH AND CASH EQUIVALENTS - At the end of the period77,61296,046	CASH AND CASH EQUIVALENTS - At the beginning of the period	158,900	151,974
	CASH AND CASH EQUIVALENTS - At the end of the period	77,612	96,046



Reconciliation to profit and loss account	2010 Rupees	2009 Rupees
Operating cash flows	(56,775)	(50,926)
Depreciation expense	(3,230)	(3,063)
Rental income	291	366
Lease finance charges	(216)	(541)
Gain / (Loss) on disposal of fixed assets - net	412	(290)
Investments income	3,328	5,306
Other comprehensive income	718	(583)
Increasein assets and liabilities-net	22,572	45,764
Total comprehensive loss	(32,900)	(3,966)

DEFINITION OF CASH

Cash and other equivalents, current and other bank accounts and deposits maturing within 12 moths.

Cash for the purpose of the cash flow statement consists of:

Cash and bank deposits:		
- cash and other equivalents	217	194
- current and other accounts	59,062	57,050
- deposits maturing within 12 months	18,333	38,802
	77,612	96,046

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Raza Kuli Khan Khattak Chairman

Begum Zeb Gohar Ayub Khan Chief Executive

Dr. Shaheen Kuli Khan Khattak Cap Director



STATEMENT OF PREMIUMS FOR THE PERIOD ENDED 31 MARCH, 2010

Net premium revenue	March-2010 March-2009				26,277	10,101	
Net prem	March-2010				20,444	11,555	
Reinsurance expenses					32,768	12,152	
insurance 1 ceded	Closing				33,335	4,853	
Prepaid reinsurance premium ceded	Opening	in '000'			37,375	4,981	
Reinsurance ceded		Rupees			28,727	12,025	
Premiums earned		8			53,212	23,707	
premium rve	Closing				52,912	8,987	
Unearned premium reserve	Opening				64,440	8,894	
Premiums written					41,684	23,800	
Class			DIRECT AND FACULTATIVE	Fire and	property damage	Marine and transport	

64,440	52,912 53	53,212	28,727	37,375	33,335	32,768	20,444	26,277
	8,987 23	23,707	12,025	4,981	4,853	12,152	11,555	
	81,965 38	38,749	7,336	7,544	10,655	4,225	34,524	41,632
	23,631 10	10,912	1,559	2,948	3,072	1,435	9,478	11,341
<u> </u>	167,495 126	126,580	49,647	52,848	51,915	50,580	76,001	89,350

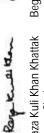


Dr. Shaheen Kuli Khan Khattak Director

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Begum Zeb Gohar Ayub Khan Chief Executive



Raza Kuli Khan Khattak Chairman





STATEMENT OF CLAIMS FOR THE PERIOD ENDED 31 MARCH, 2010

C			
	Net claims Net claims expense expense	March 2010 March 2009	
	Net claims expense	March 2010	
	and other	revenue	
Reinsurance and other	recoveries in respect of outstanding claims	Opening Closing	.000,
		Opening	s in '
	and other	received	Rupee
	Claims	aciadea	
Outstanding claims	Clocing		
Outstand		filliado	
	Claims paid		
	Class		I

PERITY

DIRECT AND FACULTATIVE

				_					Ē
3.104	3 025	34,100	12,044	52,273					,
10.595	3 787	31,319	9,075	54,776					
39,617	6 F31	8,423	570	55,141				ı	
89.556	15 060	12,540	2,459	119,624				·	
83.981	1361	8,421	2,905	109,668				ı	
34.042	5 873	4,304	1,016	45,185					
50.212	815.01	39,742	9,645	109,917				ı	
118.428	26.120	65,308	22,980	233,136		582	246	141	696
110.511	24 635 27	55,483	21,482	212,011		582	246	141	696
42.295	8 133	29,917	8,147	88,792			ı	ı	
Fire and property damage	Marine and	Motor accident	Others		TREATY	Fire and property damage	Marine and transport	Motor accident	

Capt. M. Jamil Akhtar Khan Managing Director

and the

54,776

141 55,

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45,185

109,917

202 722

212

88,792

Dr. Shaheen Kuli Khan Khattak Director

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Begum Zeb Gohar Ayub Khan Chief Executive

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Raza Kuli Khan Khattak Chairman Ray Kine tan

SECURITY-SERVICE-PROSPERITY

STATEMENT OF EXPENSES FOR THE PERIOD ENDED 31 MARCH, 2010

March-2010 March-2009	
67001300	,000,
expenses	e s in
	Rupe
Opening Closing	
puguno	
	ng Closing conserved expenses concerned N

DIRECT AND

FACULTATIVE

8,933	4,860	14,777	3,047	31,617
11,159	6,278	15,110	4,218	36,765
9,557	4,431	26	478	14,492
20,716	10,709	15,136	4,696	51,257
9,687	5,531	12,115	2,757	30,090
11,029	5,178	3,021	1,939	21,167
11,029	2,013	6,724	4,315	24,081
12,134	1,780	5,849	3,462	23,225
9,924	5,411	3,896	2,792	22,023
Fire and Property Damage	Marine and Transport	Motor Accident	Others	

Note: Commission from reinsurers is calculated after taking the effect of opening and closing uneamed commission.





Capt. M. Jamil Akhtar Khan Managing Director and the second

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Dr. Shaheen Kuli Khan Khattak Director



Raza Kuli Khan Khattak Chairman





STATEMENT OF INVESTMENT INCOME FOR THE PERIOD ENDED 31 MARCH, 2010

2010 2009

2,984

2,984

1,195

214 1,409

Income from investment at fair value through profit or loss

Unrealised gain on remeasurement of investment to fair value Dividend income

Income from non-trading investments

Held to maturity

Return on Government securities

Return on other fixed income securities and deposits:

- term deposit receipts

- profit on PLS accounts

696	696
626	1,145
597	484
1,919	2,325
3,328	5,309

Net investment income

Ray

S. Alaltak

Raza Kuli Khan Khattak Chairman

Begum Zeb Gohar Ayub Khan Chief Executive

Dr. Shaheen Kuli Khan Khattak Director



The Universal Insurance Company Limited



NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH, 2010

1. THE COMPANY AND ITS OPERATIONS

- 1.1 The Universal Insurance Company Limited (the company) is a public limited company incorporated in Pakistan on May 09, 1958 under Companies Act, 1913 (now Companies Ordinance, 1984). The company is listed on Karachi and Lahore Stock Exchanges and is engaged in the non-life insurance business. Bibojee Services (Pvt,) Ltd, (the holding company) held 15,158,326 (2009:15,158,326) i.e. 72.18% ordinary shares of the company as at March 31, 2010.
- **1.2** The registered office of the company is situated at 63-Shahrah-e-Quaid-e-Azam, Lahore.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements are un-audited and are being circulated to the shareholders in accordance with the listing regulations of Karachi and Lahore Stock Exchanges and section 245 of the Companies Ordinance, 1984 and being prepared in condensed form in accordance with the requirements of approved accounting standards as applicable to insurance companies in Pakistan for interim financial reporting and in the format prescribed under SEC (Insurance) Rule, 2002.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these condensed interim financial statements are the same as those applied by the company in financial statements for the year ended December 31, 2009.

- Revised IAS 1 - Presentation of financial statements has introduced the term total comprehensive income. Total comprehensive income may be presented in either a single statement of comprehensive income or in an income statement and a separate statement of comprehensive income. The company has opted for single statement approach to present comprehensive income for the quarter ended March 31, 2010 and comparative years.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements are in accordance with approved accounting standards which requires the management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.



5. FINANCIAL RISK MANAGEMENT

Financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended December 31, 2009.

6. CONTINGENCIES AND COMMITMENTS

- **6.1** A petitioner has filed an appeal against the company for the payment of alleged insurance of Rs.7.3 million. The appeal is currently pending adjudication before the Honorable Lahore High Court.
- **6.2** As at March 31, 2010, commitments for revolving letters of credits, other than for capital expenditure, were outstanding for Rs.747 thousand (December 31, 2009: 736 thousand)
- **6.3** No commitment for capital expenditure were outstanding as at March 31, 2010 (2009: Rs.NIL)

7. INVESTMENT

	31-Mar-10 31-Dec-09 Rupees in '000'	
- Equity Instruments of associates	6,366	6,366
- Held-to-maturity	22,572	22,402
- Available for sale	18,208	7,909
- Investment at fair value through profit or loss	31,276	18,080
	78,422	54,757

- **7.1** The market value of investment in associates and available for sale investment as on March 31, 2010 was Rs.27.62 million (December 31, 2009: Rs.16.60 million). The recoverable amount of investment in associates is higher than its carrying amount.
- **7.2** The fixed income securities includes Pakistan Investment Bonds having face value amounting to Rs.25 million deposited with the State Bank of Pakistan as required by section 29 of the Insurance Ordinance, 2000, marturing October 06, 2013.



8. SUMMARY OF TRANSACTIONS WITH RELATED PARTIES

Related parties comprise related group companies, associates, directors, key management personnel and employee benefit plan. The Company in the normal course of business carriesout transactions with various related parties. Material transactions with related parties during the period ended **31 March**, **2010** are given below:

Name of Associate	Premium Charged	Claims Paid	Rental Income	Vehicle Purchased
		(Rupe	es in '000)	
- Ghandhara Nissan Limited	2,316	646	-	1,470
- Ghandhara Industries Limited	2,096	407	-	-
- Janana De Malucho Textile Mills Limited	121	-	-	-
- Babri Cotton Mills Limited	36	1,604	-	-
- Rehman Cotton Mills Limited	27	26	-	-
- Bannu Woollen Mills Limited	112	-	-	-
 General Tyre & Rubber Co, of Pakistan Limited 	80	1,507	-	-
- Gammon Pakistan Limited	2	-	-	-
31-Mar-10	4,789	4,190	-	1,470
31-Mar-09	4,958	1,927	-	-
Transactions with the Holding Company				
- Bibojee Services (Pvt) Limited 31-Mar-10	132	-	288	-
31-Mar-09	214	-	288	-

Maximum aggregate debit balance of the associates at any month-end during the period was Rs.42.98 million (2009: Rs.40.52 million).



9. Fixed assets - tengible and intangible

The detail of additions and disposals during the three months period ended 31st March 2010 are as follows:

	Additions	s (at cost)	Disposals (at net book value)		
	31-Mar-10	31-Mar-09	31-Mar-10	31-Mar-09	
		Rupees	 in '000'		
Tangibles					
- Buildings	324	-	-	-	
- Furniture and Fixtures	44	16	-	-	
- Vehicles	2,903	1,106	563	33	
- Air conditioning equipments	59	-	19	-	
- Electrical appliances	1	3	-	-	
- Library books	1	4	-	-	
- Telephone Installations	26	6	-	-	
- Office equipments	42	55	-	-	
- Computers	431	103	-	924	
- Mobile sets	27	28	-	-	
- Generators	-	40	-	-	
Intangibles					
	3,858	1,361	582	957	





10. SEGMENT REPORTING

The Company has four primary business segments for reporting purposes namely fire & property damage, marine & transport, motor accident and miscellaneous.

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

	Fire and property damage	Marine and transport	Motor accident Rupees In '00	Miscellane- ous 0'	Total
<u>2010</u>			-		
Gross premium earned	53,212	23,707	38,749	10,912	126,580
Segment results	(1,310)	1,491	(11,904)	(3,815)	(15,538)
Other information Segment assets	329,003	108,758	171,229	49,652	658,642
Unallocated corporate assets					245,969
Consolidated total assets				-	904,611
Segment liabilities	214,121	49,748	153,811	49,678	467,358
- Unallocated corporate liabilities					85,007
Consolidated total liabilities				-	552,365
_					
	Fire and property damage	Marine and transport	Motor accident	Miscellane- ous	Total
-			Rupees In '00	0'	
<u>2009</u>					
Gross premium earned	209,203	90,129	203,121	54,285	556,738
Segment results	18,506	15,041	23,590	703	57,840
Other information					
Segment assets	334,986	107,571	195,626	56,123	694,306
Unallocated corporate assets				-	309,712
Consolidated total assets Segment liabilities	264,414	68,154	139,982	50 407	1,004,018 522,957
Unallocated corporate liabilities		00,154	139,902	50,407	522,957 95,513
Consolidated total liabilities				-	618,470
				=	



11. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on April 30, 2010 by the Board of Directors of the Company.

12. FIGURES

- (a) Figures in the financial statements have been rounded-off to the nearest thousand rupees except stated otherwise.
- (b) Corresponding figures have been rearranged and reclassified, whereever necessary, for the purposes of comparison; however, no significant re-arrangements / re-classification have been made in these financial statements.

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S. Klattak

Raza Kuli Khan Khattak Chairman

Begum Zeb Gohar Ayub Khan Chief Executive

Dr. Shaheen Kuli Khan Khattak Director

Capt. M. Jamil Akhtar Khan Managing Director



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