



CONDENSED INTERIM
FINANCIAL INFORMATION FOR THE
NINE MONTHS PERIOD ENDED
SEPTEMBER 30

2014



BOJEE GROUP



The Universal Insurance Co. Ltd.

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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 expectations. We strive to be competent partner of our customers against insured perils.

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 customer focused approach by ensuring that our service is delivered to the customer on time, according to the customer required specifications and with in our stipulated cost.

Corporate Information



Board of Directors

Mr. Raza Kuli Khan Khattak (Chairman)

Lt. GEN (R) Ali 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. Pervez Iftikhar Ahmed Khan

Mr. Muhammad Imran Malik

Mr. Amir Raza

Chief Operating Officer Mr. Omar Ayub Khan

Chief Financial Officer Mr. Ashfaq Ahmed

Company Secretary Mr. Liaqat Ali Shaukat

Internal Auditor Mr. Abdul Waheed Chaudhry

Auditors M/S. Riaz Ahmed & Company
Chartered Accountants

Legal Advisor Mr. Abrar 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.ulc.com.pk
Email: info@uic.com.pk



DIRECTOR'S REVIEW

On behalf of the Board of Directors I am presenting the un-audited financial statements of the company for the period ended September 30, 2014.

FINANCIAL PERFORMANCE

The Gross Premium of the company has reduced by Rs. 20.828 million as compared to the Gross Premium of nine months ended 2013. However there is underwriting profit of Rs. 4.445 million against the underwriting loss of Rs. 15.397 in the nine months ended accounts of last year. The management & administrative expenses have decreased substantially by Rs. 33.856 million over the expense of similar period.

	2014	2013
	----- <u>(Rupees in million)</u> -----	
Gross premium	68.171	88.999
Net premium	39.738	82.442
Profit / (Loss) from underwriting business	4.445	(15.397)
Net claims expense	(3.036)	(48.331)
Management / administrative expenses	77.552	111.408
Capital and reserves	132.604	75.738
Profit / (Loss) before taxation	(24.195)	(73.694)
Profit / (Loss) after taxation	<u>(29.855)</u>	<u>(77.188)</u>
Profit / (Loss) per share	(0.92)	(2.75)

It is informed to the shareholders that those claims were closed which the management believes would not be payable after consulting with the legal council.

FUTURE OUTLOOK

The business performances of the Branches are being monitored on quarterly basis and the branches with satisfactory performance are encouraged to produce more business. Al Hamdu Lillah on the basis of our financial for the year ended 2013 our credit rating has been improved from BBB- (Triple B minus) to BBB+ (Triple B plus) stable outlook which would certainly be helpful to re-capture the lost business on this account. The present marketing team is being motivated to generate high quality business through adopting risk assessment policy.

For & on behalf of the Board of Directors

Raza Kuli Khan Khattak
Chairman

Dated : October 25, 2014

Place : Lahore



CONDENSED INTERIM BALANCE SHEET AS AT 30 SEPTEMBER 2014

Note	Un-audited	31 December	Un-audited	31 December
	30 SEPTEMBER	2013	30 SEPTEMBER	2013
	2014		2014	2013
	(RUPEES IN THOUSAND)		(RUPEES IN THOUSAND)	
SHARE CAPITAL AND RESERVES				
Authorized share capital				
50,000,000 (2010: 50,000,000) ordinary shares of Rupees 10 each	500,000	500,000		
Issued, subscribed and paid-up share capital	370,000	300,000		
Accumulated loss	(251,885)	(236,603)		
Reserves	14,489	14,489		
	(237,396)	(222,114)		
TOTAL EQUITY	132,604	77,886		
Share deposit money	-	70,000		
Surplus on revaluation of fixed assets	230,706	240,332		
UNDERWRITING PROVISIONS				
Provision for outstanding claims (including IBNR)	260,021	353,735		
Provision for premium deficiency	1,333	620		
Provision for unearned premium	21,029	23,297		
Commission income unearned	1,218	2,232		
Total underwriting provisions	283,601	379,884		
DEFERRED LIABILITIES				
Employee benefit - unfunded	6,927	6,052		
CREDITORS AND ACCRUALS				
Premium received in advance	786	365		
Amounts due to other insurers / reinsurers	48,438	52,018		
Accrued expenses	30,923	43,683		
Other creditors and accruals	67,689	61,464		
	147,836	157,530		
BORROWINGS				
Loans received from banks	5 20,183	-		
OTHER LIABILITIES				
Deposits against performance bonds	2,993	2,826		
Unclaimed dividends	611	610		
TOTAL LIABILITIES	462,151	546,902		
CONTINGENCIES AND COMMITMENTS				
	-	-		
TOTAL EQUITY AND LIABILITIES	825,461	935,120		
CASH AND BANK DEPOSITS				
Cash and other equivalents			2	8
Current and other accounts			5,284	18,790
Deposits maturing within 12 months			100,000	141,200
			105,286	159,998
INVESTMENTS				
			7 153,469	138,297
DEFERRED TAXATION				
			33,191	33,191
CURRENT ASSETS - OTHERS				
Premiums due but unpaid	8	52,585	59,984	
Amounts due from other insurers / reinsurers	9	134,491	118,349	
Accrued investment income		7,434	3,513	
Reinsurance recoveries against outstanding claims		131,189	182,884	
Taxation - payment less provision		7,841	7,258	
Deferred commission expense		3,121	3,761	
Prepayments		8,194	9,278	
Loans to employees - unsecured considered good		556	396	
Sundry receivables		7,361	17,049	
		352,772	402,472	
FIXED ASSETS - TANGIBLE				
OWNED				
Land and buildings		159,471	176,167	
Furniture, fixtures and office equipment		6,152	6,842	
Computer equipment		2,790	3,328	
Motor vehicles		12,330	14,825	
		180,743	201,162	
TOTAL ASSETS		825,461	935,120	

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


Raza Kuli Khan Khattak
CHAIRMAN


Begum Zeb Gohar Ayub Khan
CHIEF EXECUTIVE


M. Imran Malik
DIRECTOR


Lt. GEN (R) Ali Kuji Khan Khattak
DIRECTOR


Amir Raza
PRINCIPAL OFFICER



**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS PERIOD 30 SEPTEMBER 2014 (UN-AUDITED)**

Fire and Property Damage	Marine and Transport	Motor	Others	Treaty	Nine months ended 30 September 2014	Nine months ended 30 September 2013
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------(RUPEES IN THOUSAND)-----

Revenue account								
Net premium revenue	17,196	4,995	15,528	2,019	-	39,738	82,442	
Net claims	5,452	1,426	(8,549)	(1,365)	-	(3,036)	(48,331)	
Premium deficiency expenses	-	-	(3)	(710)	-	(713)	1,604	
Expenses	(12,168)	(4,605)	(7,519)	(2,199)	-	(26,491)	(40,584)	
Net commission	(3,296)	176	(1,834)	(99)	-	(5,053)	(10,528)	
	<u>(15,464)</u>	<u>(4,429)</u>	<u>(9,353)</u>	<u>(2,298)</u>	<u>-</u>	<u>(31,544)</u>	<u>(51,112)</u>	
Underwriting result	<u>7,184</u>	<u>1,992</u>	<u>(2,377)</u>	<u>(2,354)</u>	<u>-</u>	<u>4,445</u>	<u>(15,397)</u>	
Investment income							3,517	3,610
Rental income						9	1,032	
Other income						16,498	4,944	
							<u>24,469</u>	<u>(5,811)</u>
General and administration expenses							(50,556)	(70,454)
Financial charges							(505)	(370)
Share of profit from associates - net of tax							2,397	2,941
Loss before taxation							<u>(24,195)</u>	<u>(73,694)</u>
Taxation - Current							(714)	(195)
- Deferred							<u>(4,946)</u>	<u>(3,299)</u>
Loss after taxation							<u>(29,855)</u>	<u>(77,188)</u>
PROFIT AND LOSS APPROPRIATION ACCOUNT								
Balance at the commencement of the period							(236,603)	(170,983)
Loss after taxation for the quarter							(29,855)	(77,188)
Items directly recognised in statement of changes in equity							14,573	9,549
Balance unappropriated profit / (loss) at the end of the period							<u>(251,885)</u>	<u>(238,622)</u>
Loss per share - Rupees							<u>(0.92)</u>	<u>(2.57)</u>


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**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED 30 SEPTEMBER 2014 (UN-AUDITED)**

QUARTER ENDED 30 SEPTEMBER 2014

Fire and Property Damage	Marine and Transport	Motor	Others	Treaty	Quarter ended 30 September 2014	Quarter ended 30 September 2013
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------(RUPEES IN THOUSAND)-----

Revenue account							
Net premium revenue	12,004	1,872	5,130	1,325	-	20,331	16,807
Net claims	99	100	(5,050)	(1,277)	-	(6,128)	(12,073)
Premium deficiency expenses	-	-	(14)	(160)	-	(174)	409
Expenses	(5,949)	(310)	(1,223)	(730)	-	(8,212)	(8,650)
Net commission	(2,508)	(332)	(597)	(128)	-	(3,565)	(2,048)
	(8,457)	(642)	(1,820)	(858)	-	(11,777)	(10,698)
Underwriting result	3,646	1,330	(1,754)	(970)	-	2,252	(5,555)
Investment income						1,144	279
Rental income						3	387
Other income						6,841	1,647
						10,240	(3,242)
General and administration expenses						(9,419)	(18,234)
Financial charges						(290)	(118)
Gain / (Loss) before taxation						531	(21,594)
Provision for taxation - Current						(311)	(44)
- Deferred						(141)	(169)
Gain / (Loss) after taxation						79	(21,807)
Gain / (Loss) per share - Rupees						0.002	(0.73)

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

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M. Imran Malik
M. Imran Malik
DIRECTOR

Ali Kuji Khan Khattak
Lt. GEN (R) Ali Kuji Khan Khattak
DIRECTOR

Amir Raza
Amir Raza
PRINCIPAL OFFICER



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD 30 SEPTEMBER, 2014 (UN-AUDITED)**

NINE MONTHS ENDED		QUARTER ENDED	
30 September 2014	30 September 2013	30 September 2014	30 September 2013

----- (Rupees in thousand) -----

Loss after taxation for the period ended September 30, 2014	(29,855)	(77,188)	79	(21,807)
Other comprehensive income:	-	-	-	-
Total comprehensive loss for the quarter	<u>(29,855)</u>	<u>(77,188)</u>	<u>79</u>	<u>(21,807)</u>

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DIRECTOR


Amir Raza
PRINCIPAL OFFICER

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD 30 SEPTEMBER 2014 (UN-AUDITED)**

	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	SHARE PREMIUM	CAPITAL RESERVE	REVENUE RESERVE	RETAINED EARNINGS	TOTAL
	(RUPEES IN THOUSAND)					
Balance as at December 31, 2012 (Audited)	300,000	4	18	14,338	(170,980)	143,380
Transfer of incremental depreciation from surplus on revaluation of buildings	-	-	-	-	1,119	1,119
Surplus on revaluation realised on disposal of buildings	-	-	-	-	8,351	8,351
Share of associates accounted for under equity method	-	-	-	-	80	80
Loss for the nine months ended 30 September 2013	-	-	-	-	(77,188)	(77,188)
Other comprehensive income for the nine months ended 30 September 2013	-	-	-	-	-	-
Total comprehensive loss for the nine months ended 30 September 2013	-	-	-	-	(77,188)	(77,188)
Balance as at 30 September 2013 - (un-audited)	300,000	4	18	14,338	(238,618)	75,742
Transfer of incremental depreciation from surplus on revaluation of buildings	-	-	-	-	1,105	1,105
Surplus on revaluation of fixed assets realised on disposal	-	-	-	-	12,074	12,074
Share of associates accounted for under equity method	-	-	-	129	44	173
Share of surplus on revaluation of fixed assets realised on disposal of investments in associates	-	-	-	-	735	735
Loss for the year ended 31 December 2013	-	-	-	-	(11,909)	(11,909)
Other comprehensive loss for the year ended 31 December 2013	-	-	-	-	(34)	(34)
Total comprehensive loss for the year ended 31 December 2013	-	-	-	-	(11,943)	(11,943)
Balance as at 31 December 2013 (Audited)	300,000	4	18	14,467	(236,603)	77,886
Transfer of incremental depreciation from surplus on revaluation of buildings	-	-	-	-	1,316	1,316
Surplus on revaluation realised on disposal of buildings	-	-	-	-	13,255	13,255
Share of associates accounted for under equity method	-	-	-	-	2	2
Increase of paid-up share capital	70,000	-	-	-	-	-
Loss for the nine months ended 30 September 2014	-	-	-	-	(29,855)	(29,855)
Other comprehensive income for the nine months ended 30 September 2014	-	-	-	-	-	-
Total comprehensive loss for the nine months ended 30 September 2014	-	-	-	-	(29,855)	(29,855)
Balance as at September 30, 2014 (un-audited)	370,000	4	18	14,467	(251,885)	62,604

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

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CHAIRMAN

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CHIEF EXECUTIVE

M. Imran Malik
M. Imran Malik
DIRECTOR

Ali Kujji Khan Khattak
Lt. GEN (R) Ali Kujji Khan Khattak
DIRECTOR

Amir Raza
Amir Raza
PRINCIPAL OFFICER





**CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS PERIOD 30 SEPTEMBER 2014 (UN-AUDITED)**

	Nine months ended	
	30 September 2014	30 September 2013
	(RUPEES IN THOUSAND)	
OPERATING CASH FLOWS		
a) Underwriting activities		
Premiums received	70,167	99,496
Reinsurance premiums paid	(28,886)	(37,868)
Claims paid	(67,494)	(70,009)
Reinsurance and other recoveries received	22,438	29,371
Commissions paid	(12,196)	(15,997)
Commissions received	6,769	9,096
Net cash flow from underwriting activities	(9,202)	14,089
b) Other operating activities		
Income tax paid	(583)	(874)
General management expenses paid	(34,826)	(29,909)
Other operating payments	(41,019)	(40,075)
Other operating receipts	1,969	1,995
Loans to employees (given) / repaid	(160)	620
Other receipts / (payments) - net	(2,438)	22,226
Net cash outflow from other operating activities	(77,057)	(46,017)
Total cash outflow from all operating activities	(86,259)	(31,928)
INVESTMENT ACTIVITIES		
Profit / return received	7,607	5,181
Dividends received	-	399
Rental income received	1,118	684
Payments for purchase of investments	(14,776)	-
Proceeds from redemption / disposal of investments	1,762	3,031
Fixed capital expenditure	(327)	(30)
Proceeds from disposal of fixed assets	16,485	11,950
Net cash inflow / (outflow) from investing activities	11,869	21,215
FINANCING ACTIVITIES		
Financial charges paid	(505)	(370)
Loan finance	20,183	-
Net cash inflow from financing activities	19,678	(370)
Net cash inflow / (outflow) from all activities	(54,712)	(11,083)
Cash at the beginning of the year	159,998	61,875
Cash at the end of the year	105,286	50,792



**CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS PERIOD 30 SEPTEMBER 2014 (UN-AUDITED)**

Nine months ended	
30 September 2014	30 September 2013

(RUPEES IN THOUSAND)

Operating cash flows	(86,259)	(31,928)
Depreciation	(5,325)	(7,473)
Provision for doubtful receivables	(7,762)	(27,888)
Financial charges	(505)	(370)
(Loss) / Profit on disposal of fixed assets	1,059	(382)
Increase / (decrease) in assets other than cash	(44,750)	(64)
(Increase) / decrease in liabilities other than borrowings	100,702	(20,557)
	(42,840)	(88,662)

OTHER ADJUSTMENTS

Profit on investments and deposits	3,517	3,607
Share of (loss) / profit from associates - net of taxation	2,397	2,941
Premium deficiency expense	(713)	1,604
Rental income	9	1,032
Profit on term deposit receipts	7,775	2,290
	12,985	11,474
Loss after taxation	(29,855)	(77,188)

Definition of cash:

Cash comprises cash in hand, bank balances and other deposits which are readily convertible to cash and which are used in cash management function on a day to day basis.

Cash for the purposes of the Cash Flow Statement consists of:

Cash and other equivalent		
Cash in hand (stamps in hand)	2	15
Current and other accounts		
Current accounts	4,207	(1,769)
Saving accounts	1,077	11,291
	5,284	9,522
Deposits maturing within 12 months		
Fixed and term deposits accounts	100,000	41,255
Total cash and cash equivalents	105,286	50,792

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


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PRINCIPAL OFFICER

CONDENSED INTERIM STATEMENT OF PREMIUMS FOR THE NINE MONTHS PERIOD 30 SEPTEMBER 2014 (UN-AUDITED)

Business underwritten inside Pakistan

Class	Premiums written		Premiums earned		Reinsurance ceded		Reinsurance		Reinsurance premium ceded		Reinsurance expense		Net premium revenue	
	Opening	Closing	Opening	Closing	Opening	Closing	Opening	Closing	Opening	Closing	Opening	Closing	Nine months ended 30 September 2014	Nine months ended 30 September 2013
Direct and facultative														
Fire and property damage	31,312	6,761	33,880	14,892	5,037	3,245	16,684	17,196	23,049					
Marine and transport	11,850	903	13,276	7,680	1,188	587	8,281	4,995	12,825					
Motor	19,349	11,069	19,156	3,776	2,066	2,214	3,628	15,528	44,896					
Others	5,660	763	4,127	2,538	603	1,033	2,108	2,019	1,672					
Total	68,171	23,297	70,439	28,886	8,894	7,079	30,701	39,738	82,442					
Treaty														
Grand Total	68,171	23,297	70,439	28,886	8,894	7,079	30,701	39,738	82,442					

(RUPEES IN THOUSAND)



FOR THE QUARTER ENDED 30 SEPTEMBER 2014

Business underwritten inside Pakistan

Class	Premiums written		Premiums earned		Reinsurance ceded		Reinsurance		Reinsurance premium ceded		Reinsurance expense		Net premium revenue	
	Opening	Closing	Opening	Closing	Opening	Closing	Opening	Closing	Opening	Closing	Opening	Closing	Quarter ended 30 September 2014	Quarter ended 30 September 2013
Direct and facultative														
Fire and property damage	18,739	6,761	19,707	4,610	6,338	3,245	7,703	12,004	3,932					
Marine and transport	3,168	903	2,406	1,013	108	587	534	1,872	1,876					
Motor	6,622	11,069	6,330	1,259	2,155	2,214	1,200	5,130	10,813					
Others	2,692	1,952	2,348	1,118	938	1,033	1,023	1,325	186					
Total	31,221	20,599	30,791	8,000	9,539	7,079	10,460	20,331	16,807					
Treaty														
Grand Total	31,221	20,599	30,791	8,000	9,539	7,079	10,460	20,331	16,807					

(RUPEES IN THOUSAND)

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

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CHIEF EXECUTIVE

M. Imran Malik
M. Imran Malik
DIRECTOR

Ali Kujil Khan Khattak
Lt. GEN (R) Ali Kujil Khan Khattak
DIRECTOR

Amir Raza
Amir Raza
PRINCIPAL OFFICER

CONDENSED INTERIM STATEMENT OF CLAIMS FOR THE NINE MONTHS PERIOD 30 SEPTEMBER 2014 (UN-AUDITED)

Business underwritten inside Pakistan

Class	Claims paid	Outstanding claims		Claims expenses	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue		Net claims expense	
		Opening	Closing			Opening	Closing	Nine months ended 30 September 2014	Nine months ended 30 September 2013		
Direct and facultative											
Fire and property damage	19,437	120,932	65,372	(36,123)	9,018	89,969	50,280	(30,671)	(5,452)	9,094	
Marine and transport	11,381	93,625	76,640	(5,604)	9,482	76,060	62,400	(4,178)	(1,426)	6,015	
Motor	31,445	107,262	85,318	9,501	2,414	9,748	8,286	952	8,549	27,793	
Others	5,231	30,948	31,722	6,005	1,524	7,107	10,223	4,640	1,365	5,429	
Total	67,494	352,767	259,052	(26,221)	22,438	182,884	131,189	(29,257)	3,036	48,331	
Treaty - proportional	-	969	969	-	-	-	-	-	-	-	
Grand Total	67,494	353,736	260,021	(26,221)	22,438	182,884	131,189	(29,257)	3,036	48,331	

THE UNIVERSAL INSURANCE COMPANY LIMITED



FOR THE QUARTER ENDED 30 SEPTEMBER 2014

Business underwritten inside Pakistan

Class	Claims paid	Outstanding claims		Claims expenses	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue		Net claims expense	
		Opening	Closing			Opening	Closing	Quarter ended 30, September 2014	Quarter ended 30, September 2013		
Direct and facultative											
Fire and property damage	11,413	72,292	65,372	4,493	3,873	49,561	50,280	4,592	(99)	6,895	
Marine and transport	46	76,289	76,640	397	38	61,941	62,400	497	(100)	2,543	
Motor	17,585	98,437	85,318	4,466	1,721	10,591	8,286	(584)	5,050	2,767	
Others	402	26,477	31,722	5,647	84	5,937	10,223	4,370	1,277	(132)	
Total	29,446	273,495	259,052	15,003	5,716	128,030	131,189	8,875	6,128	12,073	
Treaty - proportional	-	969	969	-	-	-	-	-	-	-	
Grand Total	29,446	274,464	260,021	15,003	5,716	128,030	131,189	8,875	6,128	12,073	

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

 Raza Kuli Khan CHAIRMAN	 Begum Zeb Gohar Ayub Khan CHIEF EXECUTIVE	 M. Imran Malik DIRECTOR	 Lt. GEN (R) Ali Kujli Khan Khattak DIRECTOR	 Amir Raza PRINCIPAL OFFICER
--	--	---	--	--

CONDENSED INTERIM STATEMENT OF EXPENSES FOR THE NINE MONTHS PERIOD 30 SEPTEMBER 2014 (UN-AUDITED)

Business underwritten inside Pakistan

Class	Commissions paid or payable		Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurer	Net underwriting expense	
	Opening	Closing	Opening	Closing					Nine months ended 30 September 2014	Nine months ended 30 September 2013
Direct and facultative										
Fire and property damage	7,477	2,155	1,645	7,987	12,168	20,155	4,691	15,464	19,890	
Marine and transport	2,254	456	180	2,530	4,605	7,135	2,706	4,429	9,220	
Motor	1,782	1,068	1,016	1,834	7,519	9,353	-	9,353	19,755	
Others	683	82	280	485	2,199	2,684	386	2,298	2,247	
Total	12,196	3,761	3,121	12,836	26,491	39,327	7,783	31,544	51,112	
Treaty - proportional										
Grand Total	12,196	3,761	3,121	12,836	26,491	39,327	7,783	31,544	51,112	

(RUPEES IN THOUSAND)



FOR THE QUARTER ENDED 30 SEPTEMBER 2014

Business underwritten inside Pakistan

Class	Commissions paid or payable		Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurer	Net underwriting expense	
	Opening	Closing	Opening	Closing					Quarter ended 30 September 2014	Quarter ended 30 September 2013
Direct and facultative										
Fire and property damage	3,957	2,147	1,645	4,459	5,949	10,408	1,951	8,457	3,309	
Marine and transport	655	32	180	507	310	817	175	642	2,186	
Motor	650	963	1,016	597	1,223	1,820	-	1,820	2,774	
Others	416	176	280	312	730	1,042	184	858	2,429	
Total	5,678	3,318	3,121	5,875	8,212	14,087	2,310	11,777	10,698	
Treaty - proportional										
Grand Total	5,678	3,318	3,121	5,875	8,212	14,087	2,310	11,777	10,698	

(RUPEES IN THOUSAND)

Note: Commission from reinsurers is arrived at after taking impact of opening and closing unearned commission.

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

Raza Kuli Khan
Raza Kuli Khan Khattak
CHAIRMAN

Begum Zeb Gohar Ayub Khan
Begum Zeb Gohar Ayub Khan
CHIEF EXECUTIVE

M. Imran Malik
M. Imran Malik
DIRECTOR

Ali Kujil Khian Khattak
LT. GEN (R) Ali Kujil Khian Khattak
DIRECTOR

Amir Raza
Amir Raza
PRINCIPAL OFFICER



**CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME
FOR THE NINE MONTHS PERIOD 30 SEPTEMBER 2014 (UN-AUDITED)**

Nine months ended		Quarter ended	
30 September 2014	30 September 2013	30 September 2014	30 September 2013

(RUPEES IN THOUSAND)

INCOME FROM TRADING INVESTMENTS

Dividend income

From others

-	375	-	53
-	375	-	53

INCOME FROM NON - TRADING INVESTMENTS

Held to maturity

Return on fixed income securities and deposits

3,471	3,249	1,208	1,081
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Available for sale

Dividend income

From others

-	24	-	-
-	24	-	-

Gain / (Loss) on sale of investments in associates through profit or loss

-	(583)	-	(583)
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Gain on sale of investments at fair value through profit or loss

20	258	(0.09)	258
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Gain on sale of investments - available for sale

-	12	-	12
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Gain on revaluation of investments at fair value through profit or loss

26	438	(64)	(396)
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Reversal / (Provision) for impairment in value of available for sale investments

-	(159)	-	(140)
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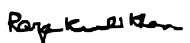
Less : Investment related expenses

-	(4)	-	(4)
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Net investment income

3,517	3,610	1,144	281
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The annexed notes form an integral part of this condensed interim financial information.


Raza Kuli Khan Khattak
CHAIRMAN


Begum Zeb Gohar Ayub Khan
CHIEF EXECUTIVE


M. Imran Malik
DIRECTOR


Lt. GEN (R) Ali Kuji Khan Khattak
DIRECTOR


Amir Raza
PRINCIPAL OFFICER



SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS PERIOD 30 SEPTEMBER 2014

1. THE COMPANY AND ITS OPERATIONS

The Universal Insurance Company Limited ("the Company") is a public limited company incorporated in Pakistan on 09 May 1958 under the 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. The registered office of the Company is situated at Universal Insurance House, 63 - Shahrah-e-Quaid-e-Azam, Lahore.

2. BASIS OF PREPARATION

This condensed interim financial information is unaudited and is being submitted to the shareholders in accordance with the listing regulations of the Karachi and Lahore Stock Exchanges and section 245 of the Companies Ordinance, 1984 and being presented in condensed form in accordance with the requirements of International Accounting Standard (IAS) 34 'Interim Financial Reporting' and in the format prescribed by Insurance Division of Securities and Exchange Commission of Pakistan in its Circular No. 7 of 2003 dated 27 August 2003.

The SECP has allowed insurance companies to defer the application of International Accounting Standard (IAS) 39 'Financial Instruments: Recognition and Measurement' in respect of 'available-for-sale investments' until suitable amendments have been made in the law. Accordingly, the requirements of IAS 39, to the extent allowed by SECP, have not been considered in the preparation of this condensed interim financial information.

This condensed interim financial information do not include all the information and disclosures required in the financial statements, and should be read in conjunction with the Company's annual published financial statements for the year ended 31 December 2013.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the Company for the year ended 31 December 2013.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those applied to the preceding annual published financial statements of the company for the year ended 31 December 2013.

5. LOANS RECEIVED FROM BANKS

Loan finance facility carries mark-up rate 10.65% p.a secured by lien marked on TDR.

6. CONTINGENCIES AND COMMITMENTS

There is no change in the contingencies and commitments disclosed in the preceding audited annual published financial statements of the company for the year ended 31 December 2013.

	Un-audited 30 September 2014	Audited 31 December 2013
	(Rupees in thousand)	
7. INVESTMENTS		
IN RELATED PARTIES		
Investment in associates - equity method of accounting	112,945	110,549
Less: Provision for impairment in value of investments	-	-
	<u>112,945</u>	<u>110,549</u>
OTHERS		
Held to maturity - Government securities (PIBs) (7.2)	40,000	25,509
Available-for-sale		
Equity investments		
Quoted	514	514
Un-quoted	278	279
Mutual funds		
Open ended	135	135
Close ended	-	-
Provision for impairment in value of investments	927	928
	<u>(768)</u>	<u>(769)</u>
	<u>159</u>	<u>159</u>
Equity investments - quoted	-	3,097
Mutual Funds		
Open ended	-	-
Close ended	510	509
	510	3,606
Unrealized loss on remeasurement of investments	(145)	(1,526)
	<u>365</u>	<u>2,080</u>
	<u>153,469</u>	<u>138,297</u>

7.1 The market value of investments in associates and available-for-sale investments as on 30 September 2014 was Rupees 39,924 million (31 December 2013 21,9588 million). The recoverable amount of investments in associates is higher than its carrying amount.

7.2 Investment in Pakistan Investment Bonds, held with State Bank of Pakistan, is made to meet the statutory requirement as required by section 29(2)(a) of The Insurance ordinance, 2000.

	Un-audited 30 September 2014	Audited 31 December 2013
	(Rupees in thousand)	
8. PREMIUMS DUE BUT UNPAID - Unsecured		
Considered good		
Due from associates	16,516	15,965
Others	36,069	44,019
	<u>52,585</u>	<u>59,984</u>
Considered doubtful		
Due from associates	-	4,568
Others	76,156	66,185
	76,156	70,753
Provision for doubtful receivables	(76,156)	(70,753)
	<u>52,585</u>	<u>59,984</u>



	Un-audited 30 September 2014	Audited 31 December 2013
	(Rupees in thousand)	
9	AMOUNTS DUE FROM OTHER INSURERS / REINSURERS - Unsecured	
	Amounts due from coinsurers	130,174
	Amounts due from reinsurers	18,892
		149,066
	Provision for doubtful receivables	(14,575)
	Amount due from other insurers / reinsurers - considered good	134,491
		118,349
10	FIXED ASSETS	
	Owned (Note 10.1)	180,743
	Leased (Note 10.2)	-
		180,743
10.1	Owned	
	Opening book value	201,165
	Add: Cost of additions during the period / year (Note 10.1.1)	328
	Surplus on revaluation of land and buildings (Note 10.1.2)	-
	Book value of vehicles transferred from leased assets	-
		201,493
	Less: Book value of deletions during the period / year (Note 10.1.3)	15,425
		186,068
	Less: Depreciation charge for the period / year	5,325
	Less: Impairment charge for the period / year	-
	Add: Reversal of impairment loss	-
		180,743
		201,162
10.1.1	Cost of additions	
	Furniture, fixture and office equipment	32
	Computer equipment	258
	Vehicles	38
		328
		2,360
10.1.2	Surplus on revaluation of land and buildings	
	Land	-
	Building on freehold land	4,540
		1,533
		6,073
10.1.3	Book value of deletions	
	Freehold land	-
	Buildings on freehold land	14,919
	Furniture, fixture and office equipment	161
	Computer equipment	1
	Vehicles	344
		15,425
		51,327
10.2	Leased	
	Opening book value	-
	Add: Cost of additions in leased assets during the period / year	-
		-
		1,367
	Less: Book value of leased assets transferred to owned assets during the period / year	-
		1,263
	Less: Depreciation charge for the period / year	-
		(104)
		-
11	TRANSACTIONS WITH RELATED PARTIES	

The related parties comprise holding company, associated companies, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Transactions with related parties are summarized as follows:

	Un-audited 30 September 2014	Un-audited 30 September 2013
	(Rupees in thousand)	
Premium underwritten / (Refund)	755	13,577
Premium Received / adjusted	3,068	21,732
Claims paid / Adjusted	531	9,561
Rent income	-	1,023
Rent expense	675	150
Rent received	1	-



12. SEGMENT REPORTING

Class of business wise revenue and results have been disclosed in the condensed interim profit and loss account prepared in accordance with the requirements of the insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. The following is a schedule of class of business wise assets and liabilities.

Fire and property damage		Marine and transport		Motor accident		Miscellaneous		Total	
30 September 2014	31 December 2013	30 September 2014	31 December 2013	30 September 2014	31 December 2013	30 September 2014	31 December 2013	30 September 2014	31 December 2013

----- Rupees -----

Other information

Segment assets	145,804	171,994	99,889	106,111	59,724	77,368	23,050	18,399	328,467	373,872
Unallocated assets									496,994	561,248
Total assets	145,804	171,994	99,889	106,111	59,724	77,368	23,050	18,399	825,461	935,120
Segment liabilities	97,460	158,753	89,550	106,810	105,649	129,878	42,374	39,287	335,033	434,728
Unallocated liabilities									127,118	112,174
Total liabilities	97,460	158,753	89,550	106,810	105,649	129,878	42,374	39,287	462,151	546,902

13. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 31 December 2013.

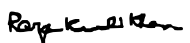
14. AUTHORIZATION FOR ISSUE

This condensed interim financial information has been approved and authorized for issue on October 25, 2014 by the Board of Directors of the Company.

15. CORRESPONDING FIGURES

Corresponding figures have been rearranged wherever necessary for the purpose of comparison, however, there were no significant reclassifications during the period.

16. Figures have been rounded off to the nearest thousand of Rupees.


Raza Kuli Khan Khattak
CHAIRMAN


Begum Zeb Gohar Ayub Khan
CHIEF EXECUTIVE


M. Imran Malik
DIRECTOR


Lt. GEN (R) Ali Kuji Khan Khattak
DIRECTOR


Amir Raza
PRINCIPAL OFFICER



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