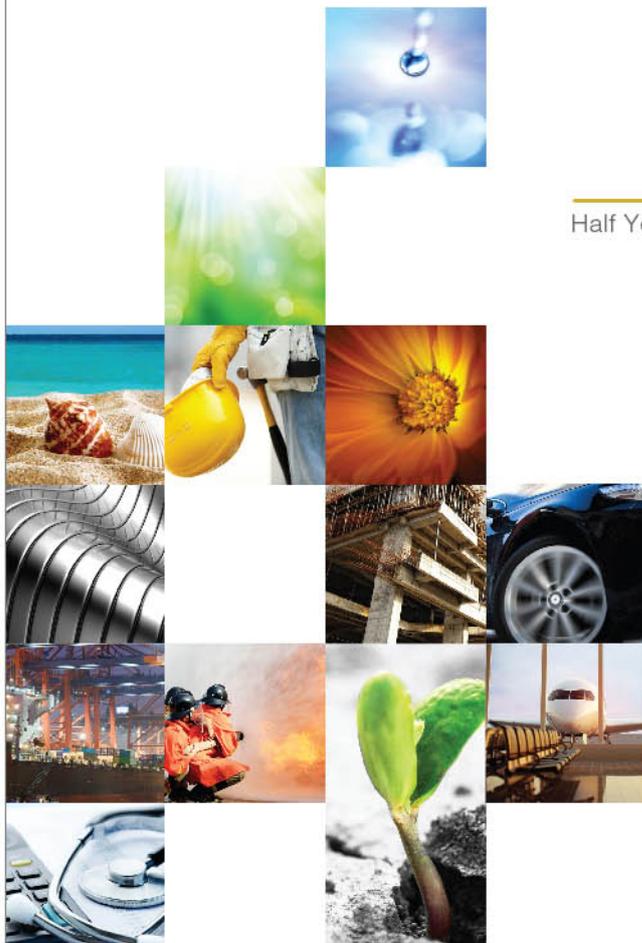




Century Insurance
A Lakson Group Company

Your Trust, Our Assurance

Half Yearly Report June 2015 (Un-audited)



Century Insurance at a Glance

- Century Insurance is a Lakson Group Company.
- Operating since 1989, dealing in all areas of general insurance business.
- One of the premier general insurance companies of Pakistan.
- Rated "A+" with a stable outlook by JCR - VIS, signifying a 'high capacity to meet policyholders' and contractual obligations'.
- Total equity in excess of Rs. 1.3 billion.
- Very strong reinsurance treaty arrangements with highly rated international reinsurers.
- Broad client base consisting of individuals as well as some of the most prestigious local and multinational companies.



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Our Vision

To be an organization known for integrity and ethical behavior and fully dedicated to our Clients, Business Partners, Shareholders and Employees, providing exceptional quality service and committed to achieving excellence in all areas of our operations.

Our motto: “Customer satisfaction is management’s top priority”

Our Mission

- To become a company of choice for our valued Clients, Stockholders and Employees.
- To maximize growth and profitability of the Company and provide excellent financial returns to our valued Shareholders.
- The Company culture to be known for Integrity and Ethical behavior.
- The Company to be known as one of the best insurance companies of the country.

Corporate Information

Board of Directors

Mr. Iqbal Ali Lakhani - Chairman
Mr. Zulfiqar Ali Lakhani
Mr. Amin Mohammed Lakhani
Mr. Tasleemuddin Ahmed Batlay
Mr. A. Aziz H. Ebrahim
Mr. Mohammad Hussain Hirji - Chief Executive
Mr. Sadrudin Ismail Mohamed
(effective from January 23, 2015)

Advisor

Mr. Sultan Ali Lakhani

Chief Financial Officer

Mr. Sabza Ali Pirani

Company Secretary

Mr. Mansoor Ahmed

Audit Committee

Mr. Sadrudin Ismail Mohamed - Chairman
Mr. Zulfiqar Ali Lakhani
Mr. Amin Mohammed Lakhani
Mr. Tasleemuddin Ahmed Batlay

Underwriting Committee

Mr. Tasleemuddin Ahmed Batlay - Chairman
Mr. Mohammad Hussain Hirji
Mr. Afzal-ur-Rahman

Claim Settlement Committee

Mr. Amin Mohammed Lakhani - Chairman
Mr. Mohammad Hussain Hirji
Mr. Afzal-ur-Rahman

Reinsurance & Co-Insurance Committee

Mr. Zulfiqar Ali Lakhani - Chairman
Mr. Mohammad Hussain Hirji
Mr. Afzal-ur-Rahman
Ms. Madiha Khalid

Human Resource & Remuneration Committee

Mr. Amin Mohammed Lakhani - Chairman
Mr. Tasleemuddin Ahmed Batlay
Mr. Mohammad Hussain Hirji

External Auditors

M/s. Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Shares Registrar

M/s. FAMCO Associates (Pvt) Ltd.
8-F, Next to Hotel Faran, Nursery,
Block-6, P.E.C.H.S., Shahra-e-Faisal,
Karachi.
Tel: (021) 34380101-2
Fax: (021) 34380106
Email: info.shares@famco.com.pk
Website: www.famco.com.pk

Bankers

Habib Bank Limited
Habib Metropolitan Bank Limited
NIB Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

Registered & Corporate Office

Lakson Square, Building No. 2, Sarwar Shaheed
Road, Karachi-74200.

Head Office

1st Floor, Lakson Square, Building No. 3,
Sarwar Shaheed Road, Karachi-74200.

Website: www.cicl.com.pk

UAN: 111-111-717

NTN: 0710008-6

Directors' Review

On behalf of the Board of Directors, I am pleased to present to you the un-audited financial statements for the half year ended 30th June 2015.

General Review

The overall operational performance of the Company has improved in the first half of 2015 as compared to the same period in 2014. Gross written premium is up by Rs. 75 million (18%) and net premium is also up by Rs. 30 million (16%). Underwriting profit has increased by Rs. 8 million (16%) and investment & other income by Rs. 137 million (193%) resulting in an earnings per share of Rs. 4.17.

Operating Results

The comparative financial highlights for the half year ended 30th June 2015 and 2014 are presented below:-

Rupees in millions (except for EPS)	30 th June 2015	30 th June 2014	Increase / (Decrease)	
			Amount	%
Gross written premium	489	414	75	18
Net premium	220	190	30	16
Underwriting profit	57	49	8	16
Investment & other income	208	71	137	193
Profit before tax	210	73	137	188
Profit after tax	191	70	121	173
Total assets	2,325	1,950	375	19
Paid-up capital	457	457	-	-
Total equity	1,307	1,114	193	17
Earnings per share (EPS) Rs.	4.17	1.54	2.63	171

As compared to HY14, the gross written premium for Fire class of business has increased by Rs. 10 million, Marine by Rs. 9 million, Motor by Rs. 8 million and Health by Rs. 54 million while the gross written premium for Miscellaneous class of business has decreased by Rs. 4 million.

Future Outlook

The management is making concerted efforts to increase market share and profitability and the business of the Company is expected to continue to grow at a steady pace. We shall continue to strive to identify new and innovative products, expand the branch network to serve clients in new cities and recruit, train and motivate sale staff so as to maintain the momentum of profitable growth.

We are hopeful that this will result in improved sustainability and enhanced shareholder equity in the future.

Acknowledgments

On behalf of all the Directors, I would like to thank our shareholders who continue to place their trust and confidence in the Company and assure them of our best efforts to ensure optimum utilization of their investment in the Company. I also wish to place on record our appreciation of the devotion, loyalty and hard work of the management and members of the staff that have contributed towards the growth of the Company and success of its operations.



Iqbal Ali Lakhani
Chairman

Karachi: 19th August 2015



Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

Tel: +9221 3565 0007-11
Fax: +9221 3568 1965
eyfrsh.khi@pk.ey.com
ey.com/pk

AUDITOR'S REPORT TO MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying

- i. condensed interim balance sheet;
- ii. condensed interim profit and loss account;
- iii. condensed interim statement of comprehensive income;
- iv. condensed interim statement of changes in equity;
- v. condensed interim statement of cash flows;
- vi. condensed interim statement of premiums;
- vii. condensed interim statement of claims;
- viii. condensed interim statement of expenses; and
- ix. condensed interim statement of investment income.

and notes to the financial statements of **Century Insurance Company Limited** for the six-month period ended **30 June 2015** (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 interim 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 interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the 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.

A member firm of Ernst & Young Global Limited



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.

A handwritten signature in black ink, appearing to read 'Shabbir Yunus', is written over a horizontal line.

Chartered Accountants

Engagement Partner: Shabbir Yunus

Date: August 19, 2015

Karachi

Condensed Interim Balance Sheet

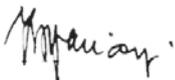
As at June 30, 2015

	(Un-audited) June 30, 2015	(Audited) December 31, 2014
Note	----- (Rupees) -----	
Share capital and reserves		
Authorised share capital [50,000,000 (December 31, 2014: 50,000,000) Ordinary shares of Rs.10 each]	500,000,000	500,000,000
Paid-up share capital	457,243,660	457,243,660
Retained earnings	477,194,849	355,042,959
Reserves	373,024,260	373,024,260
	1,307,462,769	1,185,310,879
Underwriting provisions		
Provision for outstanding claims (including IBNR)	220,198,386	123,619,908
Provision for unearned premium	334,539,112	246,257,537
Commission income unearned	50,516,110	35,324,607
Total underwriting provisions	605,253,608	405,202,052
Creditors and accruals		
Premiums received in advance	803,738	1,256,977
Amount due to other insurers / reinsurers	262,496,678	191,926,887
Accrued expenses	4,918,123	5,270,472
Taxation - net	11,343,556	-
Other creditors and accruals	129,897,916	85,981,352
	409,460,011	284,435,688
Other liabilities		
Unclaimed dividend	2,669,374	1,773,806
TOTAL LIABILITIES	1,017,382,993	691,411,546
TOTAL EQUITY AND LIABILITIES	2,324,845,762	1,876,722,425
CONTINGENCY AND COMMITMENTS	8	

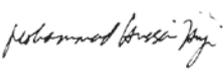
		(Un-audited) June 30, 2015	(Audited) December 31, 2014
	Note	----- (Rupees) -----	
Cash and bank deposits			
Cash and other equivalents		1,272,645	648,699
Current and other accounts		70,881,170	244,556,217
		<u>72,153,815</u>	<u>245,204,916</u>
Investments	9	1,372,299,231	1,095,863,861
Deferred taxation		5,401,021	4,122,216
Current assets - others			
Premiums due but unpaid		340,110,574	135,850,416
Amount due from other insurers / reinsurers		46,654,414	62,568,278
Reinsurance recoveries due but unpaid		37,742,928	46,135,307
Salvage recoveries accrued		4,280,000	4,700,000
Accrued investment income		2,482,247	2,675,206
Reinsurance recoveries against outstanding claims		158,215,092	60,855,662
Taxation - net		-	3,711,517
Deferred commission expense		35,186,533	23,781,744
Prepayments		191,618,486	135,266,602
Sundry receivables	10	11,176,282	7,607,368
		<u>827,466,556</u>	<u>483,152,100</u>
Fixed assets - Tangible and intangible			
Office improvement	11	4,900,364	5,288,771
Furniture and fixtures		5,480,483	5,358,797
Office equipment		3,790,486	3,164,080
Computer and related accessories		1,087,160	918,392
Motor vehicles		30,399,868	32,899,276
Capital work-in-progress		1,594,545	750,000
Computer software		272,233	16
		<u>47,525,139</u>	<u>48,379,332</u>
TOTAL ASSETS		<u>2,324,845,762</u>	<u>1,876,722,425</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

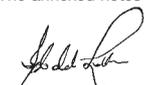
Condensed Interim Profit and Loss Account (Un-audited)

For the three and six months period ended June 30, 2015

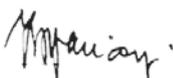
Three months period ended June 30, 2015							
	Fire and property	Marine aviation and transport	Motor	Health	Miscellaneous	June 30, 2015 Aggregate	June 30, 2014 Aggregate
(Rupees)							
Revenue account							
Net premium revenue	6,455,392	22,960,122	35,829,644	42,304,749	3,333,742	110,883,649	96,072,792
Net claims	3,860,218	(2,681,805)	(19,573,168)	(41,761,258)	1,047,050	(59,108,963)	(44,032,532)
Management expenses	(14,970,830)	(3,724,239)	(3,813,703)	(3,283,126)	(998,108)	(26,790,006)	(25,154,223)
Net commission	5,799,396	871,711	(3,161,091)	(1,082,033)	889,077	3,317,060	52,619
Underwriting result	1,144,176	17,425,789	9,281,682	(3,821,668)	4,271,761	28,301,740	26,938,656
Net investment income						193,684,491	42,087,373
Return on bank accounts						1,925,621	1,179,193
Other income - net						95,292	366,618
General and administration expenses						(26,682,026)	(23,452,773)
Share of loss of associates - net						(157,977)	(728,794)
Profit before tax						197,167,141	46,390,273
Taxation - net						(17,526,550)	(2,456,856)
Profit after tax						179,640,591	43,933,417
Earnings per share of Rs.10 each - basic and diluted			(note 13)			3.93	0.96

Six months period ended June 30, 2015							
	Fire and property	Marine aviation and transport	Motor	Health	Miscellaneous	June 30, 2015 Aggregate	June 30, 2014 Aggregate
(Rupees)							
Revenue account							
Net premium revenue	10,583,890	43,882,544	72,911,809	83,791,418	8,696,473	219,866,134	190,416,351
Net claims	(7,061,146)	(3,083,778)	(34,156,742)	(69,169,787)	(5,978,564)	(119,450,017)	(95,855,334)
Management expenses	(20,345,176)	(8,260,625)	(10,625,452)	(9,691,028)	(3,298,848)	(52,221,129)	(47,421,686)
Net commission	14,091,287	1,242,295	(6,407,646)	(1,820,480)	1,236,241	8,341,697	2,130,691
Underwriting result	(2,731,145)	33,780,436	21,721,969	3,110,123	655,302	56,536,685	49,270,022
Net investment income						204,217,744	66,203,938
Return on bank accounts						3,963,945	2,228,765
Other income - net						248,690	655,373
General and administration expenses						(53,844,153)	(47,454,042)
Share of (loss) / profit of associates - net						(676,956)	6,199
Profit before tax						210,445,955	72,910,255
Taxation - current						(18,015,955)	(3,837,961)
- prior						(3,149,380)	-
- deferred						1,278,805	1,234,865
						(19,886,530)	(2,603,096)
Profit after tax						190,559,425	70,307,159
Profit and loss appropriation account							
Balance at commencement of the period						355,042,959	281,338,081
Profit after tax for the period						190,559,425	70,307,159
Other comprehensive income - share in associates' reserves						179,251	188,974
Final cash dividend of Rs.1.5 (15%) for the year ended December 31, 2014							
[Rs.1.5 (15%) for the year ended December 31, 2013]						(68,586,786)	(68,586,730)
Balance of unappropriated profit at end of the period						477,194,849	283,247,484
Earnings per share of Rs.10 each - basic and diluted			(note 13)			4.17	1.54

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



Iqbal Ali Lakhani
Chairman



Tasleemuddin Ahmed Batlay
Director



A. Aziz H. Ebrahim
Director



Mohammad Hussain Hirji
Director & Chief Executive

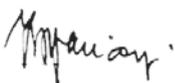
Condensed Interim Statement of Comprehensive Income (Un-audited)

For the three and six months period ended June 30, 2015

	Three months period ended		Six months period ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	----- (Rupees) -----			
Net profit for the period	179,640,591	43,933,417	190,559,425	70,307,159
Other comprehensive income				
Share in associates' reserves	94,264	101,507	179,251	188,974
Total comprehensive income for the period	179,734,855	44,034,924	190,738,676	70,496,133

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

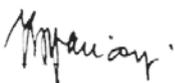
Condensed Interim Statement of Changes in Equity (Un-audited)

For the six months period ended June 30, 2015

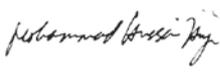
	Share capital		Reserves			Total
	Issued, subscribed and paid-up	Capital reserves	Revenue reserves		Total reserves	
		Share premium	General reserve	Retained earnings		
(Rupees)						
Balance as at January 01, 2014	457,243,660	254,024,260	119,000,000	281,338,081	654,362,341	1,111,606,001
Changes in equity for the six months period ended June 30, 2014						
Profit after tax	-	-	-	70,307,159	70,307,159	70,307,159
Other comprehensive income - share in associates' reserve	-	-	-	188,974	188,974	188,974
Total comprehensive income	-	-	-	70,496,133	70,496,133	70,496,133
Final cash dividend of Rs.1.5 (15%) for the year ended December 31, 2013	-	-	-	(68,586,730)	(68,586,730)	(68,586,730)
Balance as at June 30, 2014	<u>457,243,660</u>	<u>254,024,260</u>	<u>119,000,000</u>	<u>283,247,484</u>	<u>656,271,744</u>	<u>1,113,515,404</u>
Balance as at January 01, 2015	457,243,660	254,024,260	119,000,000	355,042,959	728,067,219	1,185,310,879
Changes in equity for the six months period ended June 30, 2015						
Profit after tax	-	-	-	190,559,425	190,559,425	190,559,425
Other comprehensive income - share in associates' reserve	-	-	-	179,251	179,251	179,251
Total comprehensive income	-	-	-	190,738,676	190,738,676	190,738,676
Final cash dividend of Rs.1.5 (15%) for the year ended December 31, 2014	-	-	-	(68,586,786)	(68,586,786)	(68,586,786)
Balance as at June 30, 2015	<u>457,243,660</u>	<u>254,024,260</u>	<u>119,000,000</u>	<u>477,194,849</u>	<u>850,219,109</u>	<u>1,307,462,769</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Condensed Interim Statement of Cash Flows (Un-audited)

For the six months period ended June 30, 2015

	June 30, 2015	June 30, 2014
	----- (Rupees) -----	
Operating cash flows		
(a) Underwriting activities		
Premiums received	294,673,957	286,989,509
Reinsurance premiums paid	(138,691,465)	(84,387,186)
Claims paid	(161,555,861)	(147,314,340)
Reinsurance and other recoveries received	54,729,307	27,613,945
Commissions paid	(35,700,900)	(29,960,165)
Commissions received	39,284,515	21,048,386
Net cash inflow from underwriting activities	52,739,553	73,990,149
(b) Other operating activities		
Income tax paid	(6,110,262)	(5,312,024)
General management expenses paid	(100,769,026)	(98,925,057)
Other operating receipts	17,636,863	26,936,709
Net cash outflow from other operating activities	(89,242,425)	(77,300,372)
Total cash outflow from all operating activities	(36,502,872)	(3,310,223)
Investment activities		
Profit / return received	7,570,642	5,332,980
Dividends received	7,459,453	2,567,000
Payments for investments	(1,596,347,682)	(553,964,877)
Proceeds from disposal of investments	1,515,810,703	568,262,900
Fixed capital expenditure	(4,569,363)	(10,175,905)
Proceeds from disposal of fixed assets	1,219,425	4,504,138
Total cash (outflow) / inflow from investing activities	(68,856,822)	16,526,236
Financing activities - dividends paid	(67,691,218)	(67,630,119)
Net cash outflow from all activities	(173,050,912)	(54,414,106)
Cash at beginning of the period	244,504,727	104,577,727
Cash at end of the period	71,453,815	50,163,621

Condensed Interim Statement of Cash Flows (Un-audited)

For the six months period ended June 30, 2015

	June 30, 2015	June 30, 2014
	----- (Rupees) -----	
Reconciliation to profit and loss account		
Operating cash flows	(36,502,872)	(3,310,223)
Depreciation / amortisation expense	(4,486,825)	(4,201,537)
Profit on disposal of fixed assets	282,695	602,376
Profit on disposal of investments	196,401,866	68,363,006
Dividend income	7,307,590	2,442,000
Investment and other income	4,671,532	6,007,847
Increase in assets other than cash	347,961,318	208,385,251
Increase in liabilities other than running finance	(325,075,879)	(207,981,561)
Profit after taxation	<u>190,559,425</u>	<u>70,307,159</u>

Definition of cash

Cash comprises of cash in hand, policy stamps, bond papers, cheques in hand, bank balances and other deposits which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

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

Cash and bank deposits

Cash and other equivalents

- Cash	224,863	195,043
- Policy stamps and bond papers in hand	1,047,782	598,712
	<u>1,272,645</u>	<u>793,755</u>

Current and other accounts

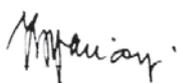
- Current accounts *	7,560,134	2,487,474
- Savings accounts	62,621,036	46,882,392
	<u>70,181,170</u>	<u>49,369,866</u>
	<u>71,453,815</u>	<u>50,163,621</u>

* This does not include local currency account with a lien amounting to Rs.0.7 million (June 30, 2014: Rs.0.7 million), with a commercial bank for letters of credit arranged through the bank for securing claims arising outside Pakistan.

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



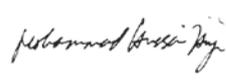
Iqbal Ali Lakhani
Chairman



Tasleemuddin Ahmed Batlay
Director



A. Aziz H. Ebrahim
Director



Mohammad Hussain Hirji
Director & Chief Executive

Condensed Interim Statement of Premiums (Un-audited)

For the three and six months period ended June 30, 2015

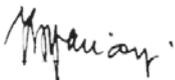
Business underwritten inside Pakistan

Class	Three months period ended June 30, 2015								Net premium revenue	
	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium		Reinsurance expenses	June 30, 2015	June 30, 2014
		Opening	Closing			Opening	Closing			
(Rupees)										
Direct and facultative										
1. Fire and property damage	147,334,898	79,707,428	165,335,195	61,707,131	139,430,816	78,301,095	162,480,172	55,251,739	6,455,392	7,689,170
2. Marine, aviation and transport	40,828,467	12,300,448	11,634,708	41,494,207	18,327,828	6,471,587	6,265,330	18,534,085	22,960,122	23,829,870
3. Motor	44,637,226	71,602,972	78,054,127	38,186,071	1,483,425	4,596,251	3,723,249	2,356,427	35,829,644	35,911,835
4. Health	39,137,037	62,025,968	58,858,256	42,304,749	-	-	-	-	42,304,749	23,732,396
5. Miscellaneous	12,358,467	23,321,022	20,656,826	15,022,663	7,880,582	20,717,823	16,909,484	11,688,921	3,333,742	4,909,521
Grand total	284,296,095	248,957,838	334,539,112	198,714,821	167,122,651	110,086,756	189,378,235	87,831,172	110,883,649	96,072,792

Class	Six months period ended June 30, 2015								Net premium revenue	
	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium		Reinsurance expenses	June 30, 2015	June 30, 2014
		Opening	Closing			Opening	Closing			
(Rupees)										
Direct and facultative										
1. Fire and property damage	190,692,218	106,041,546	165,335,195	131,398,569	179,449,250	103,845,601	162,480,172	120,814,679	10,583,890	11,648,820
2. Marine, aviation and transport	77,425,574	11,175,839	11,634,708	76,966,705	33,029,258	6,320,233	6,265,330	33,084,161	43,882,544	46,820,813
3. Motor	99,590,733	56,289,450	78,054,127	77,826,056	3,420,386	5,217,110	3,723,249	4,914,247	72,911,809	74,980,119
4. Health	90,832,525	51,817,149	58,858,256	83,791,418	-	-	-	-	83,791,418	44,595,084
5. Miscellaneous	30,919,596	20,933,553	20,656,826	31,196,323	22,492,558	16,916,776	16,909,484	22,499,850	8,696,473	12,371,515
Grand total	489,460,646	246,257,537	334,539,112	401,179,071	238,391,452	132,299,720	189,378,235	181,312,937	219,866,134	190,416,351

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Condensed Interim Statement of Claims (Un-audited)

For the three and six months period ended June 30, 2015

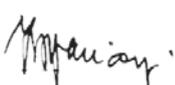
Business underwritten inside Pakistan

Class	Three months period ended June 30, 2015									
	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		June 30, 2015	June 30, 2014
..... (Rupees)										
Direct and facultative										
1. Fire and property damage	4,180,220	124,848,619	124,310,196	3,641,797	3,831,526	114,514,347	118,184,836	7,502,015	(3,860,218)	1,003,929
2. Marine, aviation and transport	2,525,627	16,430,386	16,968,641	3,063,882	1,259,003	9,209,820	8,332,894	382,077	2,681,805	6,407,214
3. Motor	25,691,764	26,466,558	25,722,651	24,947,857	4,487,565	232,725	1,119,849	5,374,689	19,573,168	12,461,636
4. Health	40,902,308	7,631,455	8,490,405	41,761,258	-	-	-	-	41,761,258	20,709,809
5. Miscellaneous	3,837,917	52,277,689	44,706,493	(3,733,279)	2,630,129	35,893,871	30,577,513	(2,686,229)	(1,047,060)	3,449,944
Grand total	77,137,836	227,654,707	220,198,386	69,681,515	12,208,223	159,850,763	158,215,092	10,572,552	59,108,963	44,032,532

Class	Six months period ended June 30, 2015									
	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		June 30, 2015	June 30, 2014
..... (Rupees)										
Direct and facultative										
1. Fire and property damage	22,949,367	16,195,137	124,310,196	131,064,426	19,164,117	13,345,673	118,184,836	124,003,280	7,061,146	3,725,227
2. Marine, aviation and transport	11,179,751	22,020,162	16,968,641	6,128,230	7,792,789	13,081,231	8,332,894	3,044,452	3,083,778	10,815,374
3. Motor	44,736,901	29,245,972	25,722,651	41,213,580	6,297,214	360,225	1,119,849	7,056,838	34,156,742	37,330,945
4. Health	68,478,613	7,799,231	8,490,405	69,169,787	-	-	-	-	69,169,787	38,072,395
5. Miscellaneous	14,211,229	48,359,406	44,706,493	10,558,316	8,070,772	34,068,533	30,577,513	4,579,752	5,978,564	5,911,393
Grand total	161,555,661	123,619,908	220,198,386	258,134,339	41,324,892	60,855,662	158,215,092	138,684,322	119,450,017	95,855,334

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Condensed Interim Statement of Expenses (Un-audited)

For the three and six months period ended June 30, 2015

Business underwritten inside Pakistan

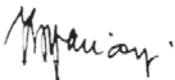
Class	Three months period ended June 30, 2015								
	Commission paid or payable	Deferred commission		Net commission expenses	Other management expenses	Underwriting expenses	Commission from reinsurers*	Net underwriting expense	
		Opening	Closing					June 30, 2015	June 30, 2014
(Rupees)									
Direct and facultative									
1. Fire and property damage	20,247,921	10,994,148	22,272,293	8,969,776	14,970,830	23,940,606	14,769,172	9,171,434	9,529,631
2. Marine, aviation and transport	5,915,978	1,842,427	1,715,771	6,042,634	3,724,239	9,766,873	6,914,345	2,852,528	4,774,430
3. Motor	3,617,608	6,562,164	6,934,817	3,244,955	3,813,703	7,058,658	83,864	6,974,794	5,911,249
4. Health	659,945	2,087,155	1,665,067	1,082,033	3,283,126	4,365,159	-	4,365,159	3,577,638
5. Miscellaneous	1,615,785	2,710,926	2,598,585	1,728,126	998,108	2,726,234	2,617,203	109,031	1,308,656
Grand total	32,057,237	24,196,820	35,186,533	21,067,524	26,790,006	47,857,530	24,384,584	23,472,946	25,101,604

Class	Six months period ended June 30, 2015								
	Commission paid or payable	Deferred commission		Net commission expenses	Other management expenses	Underwriting expenses	Commission from reinsurers*	Net underwriting expense	
		Opening	Closing					June 30, 2015	June 30, 2014
(Rupees)									
Direct and facultative									
1. Fire and property damage	26,617,342	13,860,109	22,272,293	18,205,158	20,345,176	38,550,334	32,296,445	6,253,889	8,949,911
2. Marine, aviation and transport	11,263,655	1,671,353	1,715,771	11,219,237	8,260,625	19,479,862	12,461,532	7,018,330	11,050,951
3. Motor	8,772,807	4,733,478	6,934,817	6,571,468	10,625,452	17,196,920	163,822	17,033,098	16,643,301
4. Health	2,540,179	945,368	1,665,067	1,820,480	9,691,028	11,511,508	-	11,511,508	5,098,086
5. Miscellaneous	3,878,133	2,571,436	2,598,585	3,850,984	3,298,848	7,149,832	5,087,225	2,062,607	3,548,746
Grand total	53,072,116	23,781,744	35,186,533	41,667,327	52,221,129	93,888,456	50,009,024	43,879,432	45,290,995

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

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
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Mohammad Hussain Hirji
Director & Chief Executive

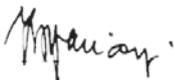
Condensed Interim Statement of Investment Income (Un-audited)

For the three and six months period ended June 30, 2015

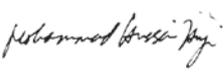
	Three months period ended		Six months period ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
----- (Rupees) -----				
Income from trading investments				
(Loss) / gain on sale of trading investments - net	(1,157,378)	-	3,550,454	12,208,310
Dividend income	1,083,739	-	2,138,391	-
Unrealised gain / (loss) on re-measurement of securities to fair value - net	13,381,239	-	(2,673,900)	-
	13,307,600	-	3,014,945	12,208,310
Income from non-trading investments				
Held to maturity				
Return on government securities	1,643,539	1,553,464	3,803,503	3,088,263
Available-for-sale				
Dividend income	5,169,199	2,442,000	5,169,199	2,442,000
	6,812,738	3,995,464	8,972,702	5,530,263
Gain on sale of non-trading investments - net	173,940,400	38,062,662	192,851,412	56,154,696
Reversal for impairment in investment classified as held to maturity	-	29,247	6,250	29,247
Investments related expenses	(376,247)	-	(627,565)	(5,718,578)
Net investment income	193,684,491	42,087,373	204,217,744	68,203,938

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Notes to the Condensed Interim Financial Statements (Un-audited)

For the six months period ended June 30, 2015

1. STATUS AND NATURE OF BUSINESS

Century Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on October 10, 1985 under the Companies Ordinance, 1984. The Company is listed on the Karachi and Lahore Stock Exchanges. The Company is engaged in general insurance business. The registered office of the Company is situated at Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Company for the six months period ended June 30, 2015 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on a format prescribed by the Securities and Exchange Commission of Pakistan in its Circular No. 7 of 2003 and International Accounting Standard 34 - Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and these condensed interim financial statements should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2014.

3. BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under historical cost convention except for certain investments which are stated at their fair values.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these condensed interim financial statements, the estimates / judgements and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual financial statements as at and for the year ended December 31, 2014.

5. SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended December 31, 2014. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2014, except as follows:

Notes to the Condensed Interim Financial Statements (Un-audited)

For the six months period ended June 30, 2015

5.1 New, amended and revised International Financial Reporting Standards (IFRSs) and interpretations

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those of the previous financial year except as follows:

New / Revised Standards, Interpretations and Amendments

The Company has adopted the following amendments to IFRSs which became effective for the current period:

IFRS 10 – Consolidated Financial Statements

IFRS 11 – Joint Arrangements

IFRS 12 – Disclosure of Interests in Others Entities

IFRS 13 – Fair Value Measurement

The adoption of the above revision and amendments of the standards did not have any effect on the condensed interim financial statements.

	(Un-audited) June 30, 2015	(Audited) December 31, 2014
	----- (Rupees) -----	
6. AMOUNT DUE TO OTHER INSURERS / REINSURERS		
Foreign reinsurers	55,172,248	51,280,044
Local reinsurers	179,600,099	116,450,787
Co-insurers	27,724,331	24,196,056
	<u>262,496,678</u>	<u>191,926,887</u>
7. OTHER CREDITORS AND ACCRUALS		
Creditors	2,122,219	2,128,564
Federal excise duty	26,305,071	5,190,039
Federal insurance fees	2,094,665	424,726
Retention money	88,777	51,277
Commission payable	75,410,691	57,179,105
Provision for workers' welfare fund	12,012,501	9,012,501
Margin deposits	2,403,245	2,639,920
Payable to gratuity fund	1,217,522	2,484,248
Payable against purchase of shares	1,016,517	-
Withholding tax payable	405,325	319,884
Deposits from employees against car scheme	4,308,100	4,035,975
Others	2,513,283	2,515,113
	<u>129,897,916</u>	<u>85,981,352</u>

Notes to the Condensed Interim Financial Statements (Un-audited)

For the six months period ended June 30, 2015

8. CONTINGENCY AND COMMITMENTS

8.1 Contingency

During the period, the Company received orders under section 122(5A) passed by the Additional Commissioner Inland Revenue for the Tax Years 2009 to 2013 wherein prior year assessments were revised by treating dividend income as single basket income and taxing it at 35% instead of fixed rate of 10% resulting in aggregate demand of Rs.22.6 million. The Company has filed appeals against the said orders with CIT (Appeals) which are pending adjudication. The Company is confident that the ultimate outcome of the appeal will be in its favor. Therefore, no provision for the said demand is made in these financial statements.

		(Un-audited) June 30, 2015	(Audited) December 31, 2014
8.2	Commitments		
	Note	-----	(Rupees) -----
8.2.1	Capital work-in-progress		
	Office renovation	8.2.1.1 1,029,800	-
	Software development	8.2.1.2 750,000	750,000
		<u>1,779,800</u>	<u>750,000</u>

8.2.1.1 This represents the remaining balance of office renovation charges for the renovation of Company's Islamabad branch office located in Islamabad as per the agreement.

8.2.1.2 This represents the remaining balance of software development charges payable to software house as per the agreement.

		(Un-audited) June 30, 2015	(Audited) December 31, 2014
	Note	-----	(Rupees) -----

9. INVESTMENTS

In related parties

Investment in associates - equity accounting *	9.1	46,647,447	47,145,152
Available-for-sale - quoted mutual funds *	9.2	800,000,000	640,205,461
		<u>846,647,447</u>	<u>687,350,613</u>

Others

Investment at fair value through profit or loss - held-for-trading

Quoted shares		147,361,138	-
Held to maturity			
Government securities *		53,025,932	48,155,811
Term finance certificate	9.3	-	-
		<u>53,025,932</u>	<u>48,155,811</u>

Available-for-sale

Quoted equity securities / mutual funds *		368,324,179	403,416,902
Less: Provision for impairment (net of reversals)		(43,059,465)	(43,059,465)
		<u>325,264,714</u>	<u>360,357,437</u>
		<u>1,372,299,231</u>	<u>1,095,863,861</u>

Notes to the Condensed Interim Financial Statements (Un-audited)

For the six months period ended June 30, 2015

* The market value of investments as at June 30, 2015 was Rs.1,613.087 million (December 31, 2014: Rs.1,696.420 million).

9.1 The results of associates have been accounted for based on latest available financial information for the period ended March 31, 2015.

9.2 Available-for-sale - quoted mutual funds

9.2.1 Related parties

Number of units		Face value per unit (Rupees)	Name of entity Open-end mutual funds	(Un-audited)	(Audited)
2015	2014			June 30, 2015	December 31, 2014
.....(Rupees).....					
743,899	612,768	100	Lakson Income Fund	75,000,000	53,684,046
749,097	595,090	100	Lakson Money Market Fund	75,000,000	53,397,799
6,347,272	4,659,530	100	Lakson Equity Fund	650,000,000	481,674,468
-	11,875	100	Lakson Asset Allocation Emerging Market Fund	-	1,201,778
-	511,002	100	Lakson Asset Allocation Developed Market Fund	-	50,247,370
				<u>800,000,000</u>	<u>640,205,461</u>

9.2.2 Market value of investment in related parties classified as available-for-sale is Rs.812.264 million (December 31, 2014: Rs.779.616 million).

	(Un-audited)	(Audited)
	June 30, 2015	December 31, 2014
.....(Rupees).....		

9.3 Term finance certificate

Cost	311,265	317,515
Less : Provision for impairment	(311,265)	(317,515)
	<u>-</u>	<u>-</u>

10. SUNDRY RECEIVABLES

Profit on bank deposits - saving accounts	684,290	742,708
Security deposits	6,950,161	4,478,569
Advance to employees	2,274,416	2,104,404
Advance against expenses	250,500	74,000
Receivable against sale of shares	406,509	-
Others	610,406	207,687
	<u>11,176,282</u>	<u>7,607,368</u>

Notes to the Condensed Interim Financial Statements (Un-audited)

For the six months period ended June 30, 2015

	(Un-audited) June 30, 2015	(Audited) December 31, 2014
(Rupees).....	
11. FIXED ASSETS - TANGIBLE AND INTANGIBLE		
Opening written down value	48,379,332	47,095,355
Add: Additions during the period / year - at cost		
- Office improvement	129,500	1,574,800
- Furniture and fixtures	583,300	2,179,840
- Office equipment	1,238,463	807,794
- Computers and related accessories	538,555	547,733
- Motor vehicles	955,000	10,381,500
- Computer software	280,000	-
	3,724,818	15,491,667
Less: Written down value of deletions	936,730	4,400,097
Depreciation / amortisation for the period / year	4,486,825	8,701,688
	5,423,555	13,101,785
Less: Capital work-in-progress - Opening	750,000	1,855,905
Add: Capital work-in-progress - Closing	1,594,545	750,000
Closing written down value	<u>47,525,139</u>	<u>48,379,332</u>

12. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of associated companies, companies under common control, companies with common directors, major shareholders, employees' retirement benefit plans, directors and key management personnel. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes and actuarial advice. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

Notes to the Condensed Interim Financial Statements (Un-audited)

For the six months period ended June 30, 2015

	----- (Un-audited) -----			
	Three months period ended		Six months period ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	----- (Rupees) -----			
Premium written	179,407,120	166,134,473	239,464,596	213,604,211
Commission expense	20,638,976	19,572,129	27,574,110	25,306,260
Claims paid	11,419,159	7,820,186	30,413,976	17,038,860
Dividend paid	52,592,018	52,592,018	52,592,018	52,592,018
Investment in mutual funds	800,000,000	150,000,000	925,300,000	431,674,468
Sale of units of mutual funds	806,700,774	192,764,086	930,486,299	327,197,615
Bonus units of mutual funds received	-	1,183,685	-	1,276,125
Expenses	4,042,590	3,338,912	8,030,413	12,355,690
Contribution to / provision for staff benefit plans	1,787,747	1,659,016	3,465,252	3,124,650
Remuneration to key management personnel	15,402,962	15,319,341	39,443,007	32,259,345
13. EARNINGS PER SHARE - BASIC AND DILUTED				
Profit after tax for the period	179,640,591	43,933,417	190,559,425	70,307,159
	----- (Number) -----			
Weighted average number of Ordinary shares	45,724,366	45,724,366	45,724,366	45,724,366
	----- (Rupees) -----			
Earnings per share - basic and diluted	3.93	0.96	4.17	1.54

13.1 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.

Notes to the Condensed Interim Financial Statements (Un-audited)

For the six months period ended June 30, 2015

14. OPERATING SEGMENTS

Class of business wise revenue and results have been disclosed in the condensed interim statement of premiums and condensed interim profit and loss account respectively, prepared in accordance with the requirements of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. The following table presents information regarding segment assets and liabilities as at June 30, 2015 and December 31, 2014:

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	Un-audited June 30, 2015	Audited December 31, 2014
	----- (Rupees in '000) -----											
Segment assets	302,937	131,051	16,314	21,073	11,778	10,311	1,665	945	50,086	53,557	382,780	216,937
Unallocated corporate assets											1,942,066	1,659,785
Consolidated corporate assets											2,324,846	1,876,722
Segment liabilities	302,937	150,489	30,806	35,562	103,889	85,733	67,349	59,616	69,383	73,802	574,364	405,202
Unallocated corporate liabilities											443,019	286,210
Consolidated corporate liabilities											1,017,383	691,412

15. GENERAL

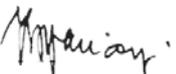
15.1 Figures of the profit and loss account for the quarters ended June 30, 2015 and June 30, 2014 have not been subjected to limited scope review by the auditors as they are only required to review half-yearly figures.

15.2 Figures in these condensed interim financial statements have been rounded off to the nearest rupee, unless otherwise stated.

16. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue in accordance with a resolution of the Board of Directors on August 19, 2015.


Iqbal Ali Lakhani
Chairman


Tasleemuddin Ahmed Batlay
Director


A. Aziz H. Ebrahim
Director


Mohammad Hussain Hirji
Director & Chief Executive

Network

Registered and Corporate Office

Lakson Square, Building # 2, Sarwar Shaheed Road,
Karachi-74200.
Tel: (021) 35698000

Head Office

11th Floor, Lakson Square, Building # 3,
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Karachi Clifton Office

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Lahore Regional Office

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