



INSURANCE



SPI SALAMA WINDOW TAKAFUL OPERATOR

PASSION OF GROWTH

SPI INSURANCE COMPANY LIMITED HALF YEARLY REPORT

For the Period Ended June 30, 2015



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Company Information

Chairman

Mr. Aziz Ullah Memon

Managing Director & Chief Executive

Mian M. A. Shahid

Directors

Mr. Abdul Majeed

Mr. Jameel A. Khan

Mr. Muhammed Moazzam Khan

Mr. Muhammed Saleem Sheikh

Mr. Uzman Naveed Chaudhary

Chief Financial Officer & Chief Operating Officer

Mr. Naeem Tariq

Company Secretary

Mr. Noshad Ahmed

Legal Advisors

M/s Mandviwalla & Zafar

M/s Zeeshan Abdullah

Human Resources Committee

Mr. Jameel A. Khan (Member)

Mian M. A. Shahid (Member)

Mr. Muhammed Saleem Sheikh (Member)

Risk Management Committee

Mian M. A. Shahid (Member)

Mr. Muhammed Saleem Sheikh (Member)

Mr. Uzman Naveed Chaudhary (Member)

Audit Committee

Mr. Jameel A. Khan (Chairman)

Mr. Abdul Majeed (Member)

Mr. Muhammed Moazzam Khan (Member)

Chief Internal Auditor

Mian Mohsin Aslam

Auditors

M/s Ilyas Saeed & Co

Chartered Accountants

Tax Consultant

M/s Muhammad Bilal & Company

Chartered Accountants

Registered Office

Suite # 204-A, Second Floor,
Madina City Mall, Abdullah Haroon Road,
Karachi.

Phone # (021) 37010190

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Head Office

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35756563

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E-mail: info@spiinsurance.com.pk

Website: www.spiinsurance.com.pk

Key Management Personnel

CONVENTIONAL

Managing Director & Chief Executive	Mian M. A. Shahid
Deputy Managing Director	Mr. Shaheryar Akbar Raja
Advisors	Mr. Naseer Ahmed (Former Member Revenue CBR) (Former Additional Secretary Military Finance) (Former Additional Secretary Finance)
General Manager Health	Mr. Muneer Khan
General Manager Re-Insurance	Mr. Faisal Akbar (FCA)
Chief Manager Underwriting	Mr. Imtiaz Ali
Chief Manager Claims / Motor	Mr. Khalid Nazeer Bajwa
Chief Manager Accounts	Mr. Saleem Akhter (FCMA)
Manager I.T	Mr. Munir Ahmed
Manager Claims Non Motor	Mr. Naveed ul Haq Nomani
Manager Admin	Mr. Shahid Malik
Manager Travel Care	Mr. Iqbal Hashmi

TAKAFUL

Shariah Advisor	Mufti Muhammed Iftikhar Baig
Chief Operating Officer	Mr. Waqar Azeem
Head of Takaful	Mr. Muzammil Bashir (ACII)
Chief Manager Accounts	Mr. Ghulam Hassan Chaudhary

BANKERS

Allied Bank Limited
Apna Microfinance Bank Limited
Bank Al-Falah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Finca Microfinance Bank Limited
Habib Bank Limited
KASB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
NIB Bank Limited
SILKBANK Limited
Sindh Bank Limited
Soneri Bank Limited
State Bank of Pakistan
Standard Chartered Bank Limited
Tameer Microfinance Bank Limited
The Bank Of Punjab
United Bank Limited
Zarai Taraqiati Bank Limited

DIRECTORS' REVIEW REPORT TO THE MEMBERS

It gives me immense pleasure in submitting the half yearly review report of the Company together with the un-audited financial statements for the period ended June 30, 2015.

The company's performance during the period under review has remained highly commendable in all sphere of business activities with sustainable growth. The premium written has increased by 44.40% to Rs.321.749 million as on June 30, 2015 from Rs.222.822 million on June 30, 2014. The net Premium also registered a rise of 34.67% to Rs.250.920 million as on June 30, 2015 as against Rs.186.327 million in the corresponding period last year. Accordingly, pretax profit including the Window Takaful Operations showed a significant growth of 77.95% to Rs.55.468 million as on June 30, 2015 from Rs.31,170 million as on June 30, 2014. The earning per share has increased to Rs.1.04 as compared to Rs.0.58 on June 30, 2014. The Window Takaful Operations figures are also highlighted below.

Financial Highlights

(Rupees in '000)

	June 30, 2015	June 30, 2014	Inc.//(Dec) in %
Conventional Insurance			
Premium Written	321,749	222,822	44.40
Net Premium revenue	250,920	186,327	34.67
Net Claims	77,064	66,141	16.51
Management & other expenses	97,067	74,416	30.44
Underwriting results	79,732	52,786	51.05
Investment and other Income	8,699	6,662	30.58
Profit before Tax	51,546	31,170	65.37
	June 30, 2015	June 30, 2014	Inc.//(Dec) in %

Window Takaful Operations for the half year ended June 30, 2015

Contributions written	83,006	-	-
Net Contributions revenue	4,457	-	-
Wakala fee	33,202	-	-
Net Claims	3,283	-	-
Management & other expenses	24,247	-	-
Other income	1,820	-	-
Benefits paid/Payable to Participants	-	-	-
Surplus in PTF	1,344	-	-
Surplus/(Deficit) in OPF	3,211	-	-
	June 30, 2015	June 30, 2014	Inc.//(Dec) in %

Consolidated Results (Conventional & Window Takaful Operations)

Profit before Tax	55,468	31,170	77.95
Profit after Tax	33,945	18,709	81.44
E.P.S.	1.04	0.58	79.31

Looking forward

The Company is poised to meet new challenges in the wake of increased business activities so as to compete in the market with dedicated team of professionals and extending efficient and prompt services to the customers. The Window Takaful Operations has given new impetus to the volume of business and it is gathering momentum with passage of time.

The management is quite optimistic that the Company will achieve better results in the all segments of business by the end of year 2015.

Appreciation and Acknowledgement

I would like to express my sincere gratitude to the Securities and Exchange Commission of Pakistan, State Bank of Pakistan and our Reinsurers and Bankers for their continued guidance and support.

I would also like to take this opportunity to thank on behalf of the Board, our customers and the shareholders for entrusting their confidence in us and the management and employees for their hard work and dedication towards the growth of the company.

For and on behalf of the Board



Azizullah Memon
Chairman

Karachi: August 26, 2015

AUDITORS' REVIEW REPORT TO THE MEMBERS

As At June 30, 2015

Introduction

We have reviewed the accompanying;

- a) condensed interim balance sheet;
- b) condensed interim profit and loss account;
- c) condensed interim statement of comprehensive income;
- d) condensed interim statement of changes in equity;
- e) condensed interim statement of cash flows;
- f) condensed interim statement of premiums;
- g) condensed interim statement of claims;
- h) condensed interim statement of expenses;
- i) condensed interim statement of investment income;

of SPI Insurance Company Limited as at June 30, 2015, and the related notes forming part thereof for the six month period then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed 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 condensed 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 condensed interim financial information consists of making inquiries, primarily of the persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended June 30, 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The figures for the quarter ended June 30, 2014 and June 30, 2015 in condensed interim financial information have not been reviewed by us as we are required to review only the cumulative figures for the half year ended June 30, 2015.



ILYAS SAEED & CO.

Chartered Accountants

Engagement Partner: Irfan Ilyas

Place: Lahore

Date: August 26, 2015



FINANCIAL STATEMENTS

For the quarter and half year ended June 30, 2015

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

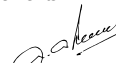
As at June 30, 2015

	Note	Unaudited June 30, 2015 Rupees	Audited December 31, 2014 Rupees
SHARE CAPITAL AND RESERVES			
Authorised share capital	3	1,000,000,000	1,000,000,000
Paid-up share capital		325,000,000	325,000,000
Accumulated profit		37,475,115	3,529,262
		362,475,115	328,529,262
UNDERWRITING PROVISIONS			
Provision for outstanding claims (including IBNR)		54,823,552	78,382,858
Provision for unearned premium		236,423,077	211,050,937
Commission income unearned		5,802,087	710,026
		297,048,716	290,143,821
DEFERRED LIABILITIES			
Staff retirement benefits		7,876,250	8,054,660
Liability against leased assets		8,575,772	-
		16,452,022	8,054,660
CREDITORS AND ACCRUALS			
Premiums received in advance		-	55,041
Amount due to other insurers/ reinsurers		4,893,099	9,120,452
Taxation-payments less provision		11,894,002	-
Accrued expenses	4	10,121,918	10,702,392
Other creditors and accruals	5	5,384,405	8,611,840
		32,293,424	28,489,725
TOTAL LIABILITIES		345,794,162	326,688,206
TOTAL EQUITY AND LIABILITIES		708,269,277	655,217,468
CONTINGENCIES AND COMMITMENTS	6	-	-

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.



Mian M.A. Shahid
Chief Executive Officer



Aziz Ullah Memon
Chairman

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

As at June 30, 2015

	Note	Unaudited June 30, 2015 Rupees	Audited December 31, 2014 Rupees
CASH AND BANK DEPOSITS			
Cash and other equivalents		17,566	404,482
Current and other accounts		67,566,410	46,622,689
Deposits maturing within 12 months		17,530,000	15,930,000
		85,113,976	62,957,171
LOANS TO EMPLOYEES			
		1,998,868	1,863,064
INVESTMENTS	7	79,457,186	67,129,827
DEFERRED TAX ASSET		14,553,871	19,268,482
INVESTMENT IN WINDOW TAKAFUL OPERATIONS	7A	53,211,330	49,288,984
CURRENT ASSETS - OTHERS			
Premiums due but unpaid	8	110,625,480	104,407,687
Amount due from other insurers/reinsurers	9	114,413,810	127,590,867
Accrued investment income		3,937,158	3,877,932
Reinsurance recoveries against outstanding claims		34,841,110	54,940,880
Taxation-payments less provision		-	1,130,406
Deferred commission expense		24,843,570	26,692,087
Prepayments			
-Prepaid reinsurance premium ceded		52,873,638	30,214,133
-Others		9,096,399	8,653,219
Sundry receivables		50,146,770	49,704,657
		400,777,935	407,211,868
FIXED ASSETS			
Tangible			
Office improvements		8,315,221	8,752,864
Furniture and fixtures		3,418,201	3,340,150
Office equipment		6,099,915	5,302,603
Computer equipment		2,934,417	2,286,707
Tracking devices		14,425,968	-
Motor vehicles		26,457,475	27,652,377
		61,651,197	47,334,701
LEASED ASSETS		11,357,881	-
INTANGIBLE			
Computer software		147,034	163,371
TOTAL ASSETS		708,269,277	655,217,468

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


Jameel A. Khan
Director

M. Moazzam Khan
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

For the quarter and half year ended June 30, 2015

	Quarter ended June 30						
	Note	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	2015 Aggregate	2014 Aggregate
Rupees.....						
Revenue account							
Net premium revenue		16,657,057	4,442,971	52,545,212	32,089,728	105,734,968	72,941,474
Net claims		(4,192,403)	(152,569)	(17,980,651)	(3,350,494)	(25,676,117)	(26,065,460)
Premium deficiency reversal		-	-	-	-	-	-
Management expenses		(3,471,337)	(2,531,100)	(12,692,556)	(10,822,540)	(29,517,534)	(21,681,687)
Net commission		(1,927,478)	(1,361,353)	(4,737,553)	(2,967,852)	(10,994,237)	(9,311,607)
Net underwriting expenses		(5,398,815)	(3,892,453)	(17,430,109)	(13,790,393)	(40,511,770)	(30,993,294)
Underwriting results		7,065,839	397,948	17,134,452	14,948,842	39,547,081	15,882,719
					Note		
Investment income						2,838,008	3,259,383
Other income						2,038,676	87,772
Profit before taxation from General Takaful Operations					13	2,923,174	-
General and administration expenses						(23,192,421)	(15,184,507)
Profit before tax						24,154,517	4,045,367
Less: Provision for taxation							
Current						(15,356,315)	(729,414)
Deferred						5,289,322	(1,104,177)
						(10,066,993)	(1,833,591)
Profit after tax						14,087,524	2,211,776
Basic and diluted earning per share						0.43	0.07

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

For the quarter and half year ended June 30, 2015

Note	Half year ended June 30				2015 Aggregate	2014 Aggregate
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous		
.....Rupees.....						
Revenue account						
Net premium revenue	50,678,226	13,987,745	102,602,929	83,651,950	250,920,850	186,327,534
Net claims	(19,958,592)	(5,725,767)	(38,511,832)	(12,867,915)	(77,064,106)	(66,141,780)
Premium deficiency reversal	-	-	-	-	-	3,586,787
Management expenses	(11,036,599)	(4,049,214)	(21,273,203)	(23,822,360)	(60,181,376)	(46,138,131)
Net commission	(12,156,099)	(3,794,996)	(10,083,062)	(7,908,568)	(33,942,726)	(24,847,912)
Net underwriting expenses	(23,192,698)	(7,844,210)	(31,356,265)	(31,730,929)	(94,124,102)	(70,986,043)
Underwriting results	7,526,936	417,767	32,734,832	39,053,107	79,732,642	52,786,497
				Note		
Investment income					5,317,581	6,562,113
Other income					3,381,429	99,735
Profit before taxation from General Takaful Operations				13	3,922,346	-
General and administration expenses					(36,885,360)	(28,278,210)
Profit before tax					55,468,638	31,170,135
Less : Provision for taxation						
Current					(16,808,174)	(1,863,275)
Deferred					(4,714,611)	(10,597,846)
					(21,522,785)	(12,461,121)
Profit / (loss) after Tax					33,945,853	18,709,014
Profit and loss appropriation account						
Balance at commencement of the period					3,529,262	(35,626,047)
Profit after tax for the period					33,945,853	18,709,014
Accumulated Profit / (loss) at end of the period					37,475,115	(16,917,033)
Basic and diluted earning per share					1.04	0.58

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


Mian M.A. Shahid
Chief Executive Officer

Aziz Ullah Memon
Chairman

Jameel A. Khan
Director

M. Moazzam Khan
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the quarter and half year ended June 30, 2015

	Quarter ended		Half year ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	(Rupees)			
Profit for the period	14,087,524	2,211,776	33,945,853	18,709,014
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss	-	-	-	-
Items that may not be subsequently reclassified to profit or loss	-	-	-	-
Total comprehensive profit for the period	14,087,524	2,211,776	33,945,853	18,709,014

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.



Mian M.A. Shahid
Chief Executive Officer



Aziz Ullah Memon
Chairman



Jameel A. Khan
Director



M. Moazzam Khan
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the quarter and half year ended June 30, 2015

	Share Capital	Accumulated Loss	Total
	(Rupees)		
Balance at January 1, 2014	325,000,000	(35,626,047)	289,373,953
Net profit for the period	-	18,709,014	18,709,014
Balance at June 30, 2014	325,000,000	(16,917,033)	308,082,967
Balance at January 1, 2015	325,000,000	3,529,262	328,529,262
Net profit for the period	-	33,945,853	33,945,853
Balance at June 30, 2015	325,000,000	37,475,115	362,475,115

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

Mian M.A. Shahid
Chief Executive OfficerAziz Ullah Memon
ChairmanJameel A. Khan
DirectorM. Moazzam Khan
Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the half year ended June 30, 2015

	Half year ended	
	June 30, 2015	June 30, 2014
	(Rupees)	
Operating cash flows		
a) Underwriting activities		
Premiums received	315,476,909	202,625,545
Reinsurance premiums paid	(72,343,611)	(22,738,811)
Claims paid	(119,358,451)	(100,761,007)
Reinsurance and other recoveries received	52,011,866	15,556,104
Commissions paid	(34,625,865)	(21,690,306)
Commission received	7,623,717	-
Other underwriting payments	(52,121,502)	(40,880,809)
Net cash flow from underwriting activities	96,663,063	32,110,716
b) Other operating activities		
Income tax paid	(3,783,762)	(855,572)
General and management expenses paid	(36,546,865)	(28,278,210)
Other operating payments	(1,084,464)	(4,420,543)
Other operating receipts	(6,005,889)	(5,854,649)
Loans and advances paid	(135,804)	182,944
Net cash outflow from other operating activities	(47,556,784)	(39,226,030)
Total cash flow from all operating activities	49,106,279	(7,115,313)
Investment activities		
Profit/ return received	5,258,354	6,158,352
Leasehold payments	(3,386,778)	-
Payments for investments	(10,398,621)	(9,802,683)
Fixed capital expenditure	(18,422,429)	(2,311,936)
Total cash flow from investing activities	(26,949,474)	(5,956,267)
Net cash inflow / (outflow) from all activities	22,156,805	(13,071,581)
Cash and cash equivalents at beginning of the period	62,957,171	70,147,224
Cash and cash equivalents at end of the period	85,113,976	57,075,643

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the half year ended June 30, 2015

	Half year ended	
	June 30, 2015	June 30, 2014
	(Rupees)	
Reconciliation to condensed interim profit and loss account		
Operating cash flows	49,106,279	(7,115,313)
Depreciation / amortisation expense	(4,726,889)	(3,833,064)
Investment and other income	8,699,009	6,562,113
Provision for doubtful debts	(129,967)	(2,123,616)
Provision for Gratuity	(1,821,590)	-
(Decrease) / increase in assets other than cash	10,100,860	7,448,984
Takaful Income	3,922,346	
Decrease in liabilities other than running finance	(9,681,411)	30,231,032
Reversal/ (provision) for taxation	(21,522,785)	(12,461,121)
Profit/ (loss) after taxation	33,945,853	18,709,014

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 purpose of statement of cash flows consists of :

Cash and cash equivalents

Cash and other equivalents	17,566	919,834
Current and other accounts	67,566,410	55,225,809
Deposits maturing within 12 months	17,530,000	930,000
	85,113,976	57,075,643

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.



Mian M.A. Shahid
Chief Executive Officer



Aziz Ullah Memon
Chairman



Jameel A. Khan
Director



M. Moazzam Khan
Director

CONDENSED INTERIM STATEMENT OF PREMIUMS (UN-AUDITED)

For the quarter and half year ended June 30, 2015

Business underwritten inside Pakistan

Quarter ended June 30, 2015

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expenses	2015 Net premium revenue	2014 Net premium revenue
		Opening	Closing			Opening	Closing			
-----Rupees-----										
Direct & facultative										
Fire and Property/Damage	15,859,793	62,115,183	59,073,549	18,901,427	23,968,136	14,249,186	35,972,951	2,244,371	16,657,056	12,028,418
Marine, Aviation and Transport	12,990,474	3,027,272	4,164,852	11,852,894	8,582,931	1,063,245	2,236,254	7,409,922	4,442,972	9,008,840
Motor	64,797,238	70,885,812	82,454,819	53,228,231	684,000	990,794	991,775	683,019	52,545,212	31,072,472
Miscellaneous	53,222,838	77,292,745	90,729,857	39,785,726	18,674,711	2,693,945	13,672,658	7,695,998	32,089,728	20,831,744
Grand Total	146,870,343	213,321,012	236,423,077	123,768,278	51,909,778	18,997,170	52,873,638	18,033,310	105,734,968	72,941,474

Half year ended June 30, 2015

Class	Premiums written		Unearned premium reserve		Premiums earned		Reinsurance ceded		Prepaid reinsurance premium		Reinsurance expenses		2015 Net premium revenue		2014 Net premium revenue		
	Opening	Closing	Opening	Closing	Opening	Closing	Opening	Closing	Opening	Closing	Opening	Closing	Opening	Closing	Opening	Closing	
Rupees																	
Direct & facultative																	
Fire and Property/Damage	59,005,346	64,472,319	59,073,549	64,404,116	33,865,700	15,833,141	35,972,951	13,725,890	50,678,226	41,360,124							
Marine, Aviation and Transport	21,648,452	7,071,250	4,164,852	24,554,850	11,623,806	1,179,553	2,236,254	10,567,105	13,987,745	18,938,320							
Motor	113,733,650	72,787,762	82,454,819	104,066,593	1,368,000	1,087,439	991,775	1,463,664	102,602,929	69,358,126							
Miscellaneous	127,362,295	66,719,606	90,729,857	103,352,044	21,258,752	12,114,000	13,672,658	19,700,094	83,651,950	56,670,964							
Grand Total	321,749,743	211,050,937	236,423,077	296,377,603	68,116,258	30,214,133	52,873,638	45,456,753	250,920,850	186,327,534							

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.



Mian M.A. Shahid
Chief Executive Officer



Aziz Ullah Memon
Chairman



Jameel A. Khan
Director



M. Moazzam Khan
Director

CONDENSED INTERIM STATEMENT OF CLAIMS (UN-AUDITED)

For the quarter and half year ended June 30, 2015

Business underwritten inside Pakistan

Class	Quarter ended June 30, 2015										
	Claims paid		Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries	2015 Net claims expense	2014 Net claims expense
	Opening	Closing	Opening	Closing			Opening	Closing			
-----Rupees-----											
Direct & facultative											
Fire and Property Damage	9,420,819	23,346,288	22,225,770	8,300,301	5,038,622	17,502,204	16,571,480	4,107,898	4,192,403	4,330,421	
Marine, Aviation and Transport	9,358,641	17,897,690	8,691,618	152,569	7,850,005	13,800,464	5,950,459	-	152,569	1,102,886	
Motor	19,792,273	9,400,226	7,842,462	18,234,509	254,752	895	-	253,857	17,980,652	10,888,025	
Miscellaneous	10,176,181	15,998,340	16,063,702	10,241,543	7,671,876	13,099,998	12,319,171	6,891,049	3,350,494	9,744,129	
Grand Total	48,747,914	66,642,544	54,823,552	36,928,922	20,815,255	44,403,561	34,841,110	11,252,804	25,676,118	26,065,461	

Half year ended June 30, 2015

Class	Claims paid		Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries	2015 Net claims expense	2014 Net claims expense
	Opening	Closing	Opening	Closing			Opening	Closing			
Direct & facultative											
Fire and Property Damage	39,223,322	36,443,940	22,225,770	25,005,152	16,673,505	28,198,425	16,571,480	5,046,560	19,958,592	10,925,121	
Marine, Aviation and Transport	15,229,654	18,264,311	8,691,618	5,656,961	7,850,005	13,869,270	5,950,459	(68,806)	5,725,767	1,826,978	
Motor	38,506,183	6,661,948	7,842,462	39,686,696	1,175,759	895	-	1,174,864	38,511,832	28,841,939	
Miscellaneous	26,399,293	17,012,659	16,063,702	25,450,336	13,135,540	12,872,290	12,319,171	12,582,421	12,867,915	24,547,743	
Grand Total	119,358,452	78,382,858	54,823,552	95,799,145	38,834,809	54,940,880	34,841,110	18,735,039	77,064,106	66,141,780	

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


Mian M.A. Shahid
Chief Executive Officer

Aziz Ullah Memon
Chairman

Jameel A. Khan
Director

M. Moazzam Khan
Director

CONDENSED INTERIM STATEMENT OF EXPENSES (UN-AUDITED)

For the quarter and half year ended June 30, 2015

Business underwritten inside Pakistan

Class	Quarter ended June 30, 2015											
	Commission paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expenses	Commission received from reinsurers	Unearned commission		Commission from reinsurers	2015 Net underwriting expenses	2014 Net underwriting expenses
		Opening	Closing					Opening	Closing			
-----Rupees-----												
Direct and facultative												
Fire and Property Damage	2,902,763	6,677,312	7,549,577	2,030,498	3,471,337	5,501,835	3,038,096	349,752	3,284,828	103,020	5,398,815	6,714,096
Marine, Aviation and Transport	2,478,499	566,615	788,591	2,256,523	2,531,100	4,787,623	1,108,412	-	213,243	895,169	3,892,453	4,718,313
Motor	6,167,368	6,088,858	7,518,673	4,737,553	12,692,556	17,430,109	-	-	-	-	17,430,109	11,937,604
Miscellaneous	6,274,305	6,610,529	8,986,729	3,898,105	10,822,540	14,720,646	3,234,269	-	2,304,016	930,253	13,790,393	7,623,282
Grand Total	17,822,935	19,943,314	24,843,570	12,922,679	29,517,534	42,440,212	7,380,777	349,752	5,802,087	1,928,442	40,511,770	30,993,295

Half year ended June 30, 2015

Class	Commission paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expenses	Commission received from reinsurers	Unearned commission		Commission from reinsurers	2015 Net underwriting expenses	2014 Net underwriting expenses
		Opening	Closing					Opening	Closing			
Direct and facultative												
Fire and Property Damage	7,540,861	12,210,100	7,549,577	12,201,384	11,036,599	23,237,983	3,281,036	49,077	3,284,828	45,285	23,192,698	17,645,322
Marine, Aviation and Transport	4,099,013	1,390,709	788,591	4,701,131	4,049,214	8,750,345	1,108,412	10,965	213,243	906,134	7,844,210	9,201,706
Motor	10,370,845	7,230,890	7,518,673	10,083,062	21,273,203	31,356,265	-	-	-	-	31,356,265	23,447,404
Miscellaneous	12,615,146	5,860,388	8,986,729	9,488,805	23,822,360	33,311,166	3,234,269	649,984	2,304,016	1,580,237	31,730,929	20,691,612
Grand Total	34,625,865	26,692,087	24,843,570	36,474,382	60,181,377	96,655,758	7,623,717	710,026	5,802,087	2,531,656	94,124,102	70,986,044

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


Mian M.A. Shahid
Chief Executive Officer

Aziz Ullah Memon
Chairman

Jameel A. Khan
Director

M. Moazzam Khan
Director

CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UN-AUDITED)

For the quarter and half year ended June 30, 2015

	For the quarter ended		For the half year ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
------(Rupees)-----				
Income from held for trading investments				
Gain on sale of trading	(2,366)	31,065	(2,366)	128,931
Dividend income	-	-	-	-
	(2,366)	31,065	(2,366)	128,931
Income from non-trading investments				
Held to maturity				
Return on government securities	2,089,151	2,628,303	3,990,280	5,203,081
Return on TDR's	751,223	615,242	1,342,863	1,264,934
Available for sale				
Dividend income	-	-	-	-
	2,840,374	3,243,545	5,333,143	6,468,015
Gain / (loss) on sale of non-trading investments	-	-	-	-
Unrealised gain/(loss) on revaluation of held for trading investments	-	-	-	-
Provision for impairment in value of available-for-sale	-	-	-	-
Investment related expenses	-	(15,226)	(13,196)	(34,832)
	2,838,008	3,259,383	5,317,581	6,562,113

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.


Mian M.A. Shahid
Chief Executive Officer

Aziz Ullah Memon
Chairman

Jameel A. Khan
Director

M. Moazzam Khan
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended June 30, 2015

1 STATUS AND NATURE OF BUSINESS

SPI Insurance Company Limited (the Company) is an unquoted public limited Company incorporated in Islamabad, Pakistan on February 15, 2005 under the Companies Ordinance, 1984. The Company is engaged in the non-life insurance business mainly comprising of fire, marine, motor and miscellaneous. The Company commenced its commercial operations on April 13, 2005. The registered office of the Company is situated at Suite # 204-A, Second Floor, Madina City Mall, Abdullah Haroon Road, Karachi, and principal office of the Company is situated at UIG House 6-D, 1st Floor, Upper Mall, Lahore, Pakistan.

The Company has been allowed to work as Window Takaful Operator through License No.3 on November 20, 2014 by Securities and Exchange Commission of Pakistan under Window Takaful Rules, 2012 to carry on Islamic General Insurance in Pakistan. It has not transacted any business outside Pakistan.

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 and the directives issued by SECP. Wherever the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 or the requirements of the said directives take precedence.

2.1 BASIS OF PREPARATION

The accounting policies and the methods of computation of preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended December 31, 2014.

2.2 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except that certain financial instruments are carried at fair value and staff retirement benefits are stated at present value.

These financial information's have been presented in Pakistan rupee, which is also the Company's functional currency.

2.3 SIGNIFICANT ESTIMATES AND JUDGEMENTS

The preparation of the condensed interim financial statement requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management and the key sources of estimating uncertainty in preparation of these condensed interim financial statements were same as those applied to the annual financial statements for the year ended December 31, 2014.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2014.

2.5 FINANCIAL RISK AND CAPITAL MANAGEMENT

The Company's financial risk management and capital management objectives and policies are consistent with that disclosed in the annual financial statements for the year ended December 31, 2014.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended June 30, 2015

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

3 AUTHORIZED SHARE CAPITAL

100,000,000	100,000,000	Ordinary shares of Rs. 10/- each	1,000,000,000	1,000,000,000
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3.1 PAID-UP SHARE CAPITAL

Issued, subscribed and paid up capital:

		Paid up capital for general insurance	200,000,000	200,000,000
		Statutory fund for window takaful operations	50,000,000	50,000,000
25,000,000	25,000,000	Ordinary shares of Rs. 10/- each fully paid in cash	250,000,000	250,000,000
7,500,000	7,500,000	Ordinary shares of Rs. 10/- each issued as fully paid right shares	75,000,000	75,000,000
32,500,000	32,500,000		325,000,000	325,000,000

3.1.1 Amount of Rs 50 million is deposited as statutory reserves to comply with provisions of para 4 of Circular No 8 of 2014 read with section 11(c) of Takaful Rules, 2012 issued by Securities and Exchange Commission of Pakistan.

4 ACCRUED EXPENSES

Audit fee payable	176,000	800,000
Salaries wages and benefits payable	7,909,623	7,111,786
Utilities payable	682,460	873,698
Others	1,353,835	1,916,908
	10,121,918	10,702,392

5 OTHER CREDITORS AND ACCRUALS

Commission	842,085	4,177,484
Rent	-	976,848
Government levies payable	3,618,406	3,061,801
Withholding tax	169,423	104,457
Others	754,491	291,250
	5,384,405	8,611,840

6 CONTINGENCIES AND COMMITMENTS

There have been no changes in the contingencies and commitments as disclosed in the annual financial statements of the company for the year ended December 31, 2014.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended June 30, 2015

		June 30, (Un-audited) 2015	December 31, (Audited) 2014
(Rupees)			
7 INVESTMENTS			
The investments comprise the following:			
Held to maturity			
Pakistan Investment Bonds	7.1	74,829,252	67,129,827
NBP Fullerton asset management limited		3,166,609	-
Available for sale			
Ordinary shares of listed companies	7.2	1,687,950	226,625
Provision for diminution in value of investments		(226,625)	(226,625)
		1,461,325	-
		79,457,186	67,129,827

7.1 These bonds are held in favour of State Bank of Pakistan in accordance with the requirement of Section 29 of the Insurance Ordinance, 2000. These bonds have a face value of Rs. 74.0 million (2014: Rs. 33.7 million with SBP and Rs. 33.3 million with NBP) and carry mark-up ranging from 9.75% to 12% (2014: 12.0% to 12.0%) per annum and would mature up to March 2025.

7.2 The market value of available for sale - equity securities as at June 30, 2015 is Rs. 1,248,966/- (December 31, 2014: Rs. 40,163/-).

7 A INVESTMENT IN WINDOW TAKAFUL OPERATIONS

Total assets of window takaful operations	65,924,938	50,961,842
Total liabilities of window takaful operations	(12,713,608)	(1,672,858)
	53,211,330	49,288,984

The condensed interim financial statements of Window takaful operations are separately prepared under the provision of clause 11(b) of takaful rules, 2012 read with circular no. 25 of 2015 issued dated July 09, 2015.

8 PREMIUM DUE BUT UNPAID - UNSECURED

-Considered good	110,625,480	104,407,687
-Considered doubtful	5,834,103	5,704,136
	116,459,583	110,111,823
Provision for doubtful balances	8.1 (5,834,103)	(5,704,136)
	110,625,480	104,407,687

8.1 Provision for doubtful balances

Opening provision	(5,704,136)	(4,206,777)
Charge for the period	(129,967)	(2,221,850)
Reversal for the period	-	724,491
Closing provision	(5,834,103)	(5,704,136)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended June 30, 2015

	June 30, (Un-audited) 2015	December 31, (Audited) 2014
	(Rupees)	
9 AMOUNTS DUE FROM OTHER INSURERS/ REINSURERS - UNSECURED		
- Considered good	114,413,810	127,590,867
- Considered doubtful	15,237,314	15,237,314
Provision for doubtful balances	9.1 (15,237,314)	129,651,124 (15,237,314)
	114,413,810	127,590,867
9.1 Provision for doubtful balances		
Opening provision	(15,237,314)	(11,059,258)
Charge for the period	-	(4,178,056)
Closing provision	(15,237,314)	(15,237,314)
10 TRANSACTIONS WITH RELATED PARTIES		
The related parties comprise of United Track Systems (Pvt.) Limited, Apna Micro Finance Bank Limited and Silk Bank Limited on the basis of related group companies, entities under common control, entities with common directors, major shareholders, directors, key management personnel and employee retirement benefits fund. Amount due to/from and other significant transactions, other than those disclosed elsewhere in these financial statements, are as follows:		
Transactions and balances with United Track Systems (Pvt.) Limited- associated company		
Tracker charges	11,248,080	3,368,675
Transactions and balances with Apna Micro Finance Bank Limited-associated company		
Other transactions during the year		
Bank charges	2,616	9,192
Profit on bank deposits	47,365	88,447
Other balances with associated company		
Profit and loss sharing accounts	501,320	1,571,652
Current accounts	15,377	15,377
Transactions and balances with Silk Bank Limited-associated company		
Insurance premium		
Balance at beginning of the period	12,294,584	7,750,140
Gross insurance premium written (including administrative surcharge, government levies and policies stamps)	15,382,555	24,903,282
Received / adjusted during the period	(17,828,301)	(20,358,838)
Balance at end of the period	9,848,838	12,294,584

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended June 30, 2015

	June 30, (Un-audited) 2015	December 31, (Audited) 2014
	(Rupees)	
Insurance claim expenses		
Outstanding claims at beginning of the period	2,945,489	2,897,868
Gross claims expense for the period	6,723,193	6,034,689
Claims paid during the period	(2,715,838)	(5,987,068)
Outstanding claims at end of the period	6,952,844	2,945,489
Bank charges	9,377	46,969
Profit on term deposit receipts	636,184	1,457,808
Profit on bank deposits	21,684	18,120
Other balances with associated company		
Term deposits	11,030,000	9,430,000
Profit & Loss Sharing Accounts	16,695	51,223
Current account	2,169,565	4,883,230
Accrued investment income	83,856	233,878
Staff retirement gratuity fund		
Contribution to defined benefit plan	2,000,000	500,000
Payable from defined benefit plan	(7,876,250)	(8,054,660)
Transaction with Key management personnel		
Remuneration of key management personnel	18,200,450	35,883,553
Loan to key management personnel	516,666	579,117

11 TAXATION

Provision in respect of taxation, for the period under review, is estimated only and final liability will be determined on the basis of annual results.

12 DATE OF AUTHORIZATION FOR ISSUE

These interim condensed financial statements have been authorized for issue on **August 26, 2015** in accordance with a resolution of board of directors of the company.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended June 30, 2015

13 GENERAL

Separate set of statements representing assets, liabilities, revenues and expenses of window takaful operations has been annexed to these financial statement as per the requirement of Takaful Rules, 2012.



Mian M.A. Shahid
Chief Executive Officer



Aziz Ullah Memon
Chairman



Jameel A. Khan
Director



M. Moazzam Khan
Director



Window Takaful Operations

FINANCIAL STATEMENTS

For the quarter and half year ended June 30, 2015



WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM BALANCE SHEET
As At June 30, 2015

	Note	June 30, 2015 (Un-audited)	June 30, 2015 (Un-audited)	June 30, 2015 (Un-audited)	December 31, 2014 (Audited)
		-----Rupees-----		-----Rupees-----	
		PTF	SHF	Consolidated	Consolidated
SHAREHOLDERS' FUND -(SHF)					
Statutory reserve	3	-	50,000,000	50,000,000	50,000,000
Accumulated profit / (loss)		-	3,211,330	3,211,330	(711,016)
		-	53,211,330	53,211,330	49,288,984
WAQF/PARTICIPANTS' TAKAFUL EQUITY -(PTF)					
Ceded money	4	500,000	-	500,000	500,000
Accumulated surplus / (deficit)		1,344,493	-	1,344,493	29,582
		1,844,493	-	1,844,493	529,582
UNDERWRITING PROVISIONS					
Provision for outstanding claims (including IBNR)-(PTF)		3,166,621	-	3,166,621	-
Provision for unearned contribution-(PTF)		38,923,985	-	38,923,985	680,374
Commission income unearned-(SHF)		-	207,994	207,994	-
Total underwriting provisions		42,090,606	207,994	42,298,600	680,374
CREDITORS AND ACCRUALS					
Amount due to other takaful / retakaful		7,626,139	-	7,626,139	-
Accrued expenses	5	-	6,473,431	6,473,431	762,625
Other creditors and accruals	6	18,530,520	6,032,183	24,562,703	905,773
		26,156,659	12,505,614	38,662,273	1,668,398
TOTAL LIABILITIES		68,247,265	12,713,608	80,960,873	2,348,772
TOTAL EQUITY AND LIABILITIES		70,091,758	65,924,938	136,016,696	52,167,338
CONTINGENCIES AND COMMITMENTS		-	-	-	-

The annexed notes from 1 to 8 form an integral part of these condensed interim financial statements.

WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM BALANCE SHEET
As At June 30, 2015

	Note	June 30,	June 30,	June 30,	December 31,
		2015	2015	2015	2014
		(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
		-----Rupees-----		-----Rupees-----	
		PTF	SHF	Consolidated	Consolidated
Cash and bank deposits					
Cash and other equivalents		-	210,394	210,394	-
Current and other accounts		4,421,706	10,956,566	15,378,272	51,247,304
Deposits maturing within 12 months		1,001,676	-	1,001,676	-
		5,423,382	11,166,960	16,590,342	51,247,304
Investments	7	-	41,348,998	41,348,998	-
Current assets- others					
Contribution due but unpaid-(PTF)		20,363,522	-	20,363,522	-
Amount due from other takaful/retakaful-(PTF)		39,452,955	-	39,452,955	117,743
Prepaid re-takaful Contribution ceded-(PTF)		4,594,687	-	4,594,687	-
Deferred commission expense-(SHF)		-	5,787,819	5,787,819	214,860
Advances, deposits and prepayments		234,449	2,592,002	2,826,451	-
Sundry receivables		22,763	810,383	833,146	587,431
		64,668,376	9,190,204	73,858,580	920,034
Fixed assets					
Tangible					
Office improvements		-	1,654,894	1,654,894	-
Furniture and fixture		-	908,442	908,442	-
Office equipment		-	1,034,884	1,034,884	-
Computer equipment		-	428,296	428,296	-
Motor vehicles		-	192,260	192,260	-
		-	4,218,776	4,218,776	-
Total assets		70,091,758	65,924,938	136,016,696	52,167,338

The annexed notes from 1 to 8 form an integral part of these condensed interim financial statements.

WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

For the quarter and half year ended June 30, 2015

	Quarter ended June 30					
	Fire property damage	Marine Aviation and Transport	Motor	Miscellaneous	2015 Aggregate	2014 Aggregate
Rupees.....					
PTF Revenue Account						
Net Contribution revenue	(895,510)	(1,210,288)	1,855,024	2,455,727	2,204,953	-
Net claims	-	-	(244,667)	(1,177,588)	(1,422,255)	-
Direct expenses	(13,442)	(1,925)	(30,556)	(44,657)	(90,580)	-
Net rebate on re-takaful	-	-	-	231,942	231,942	-
Surplus / (Deficit) before other income	(908,952)	(1,212,213)	1,579,799	1,465,424	924,060	-
Other income					-	-
Surplus / (deficit) for the period					924,060	-
SHF REVENUE ACCOUNT						
Wakala fee					28,951,696	-
Commission expense					(5,574,648)	-
Management expenses					(504,587)	-
					22,872,461	-
Investment income					1,348,998	-
Other income					83,670	-
General & administrative expenses					(21,381,954)	-
Profit / (loss) for the period					2,923,175	-

WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

For the quarter and half year ended June 30, 2015

	Half year ended June 30					2015 Aggregate	2014 Aggregate
	Fire property damage	Marine Aviation and Transport	Motor	Miscellaneous	Rupees.....		
PTF Revenue Account							
Net Contribution revenue	(422,107)	(2,159,937)	2,760,794	4,278,314	4,457,064	-	
Net claims	(495,200)	-	(623,667)	(2,164,648)	(3,283,515)	-	
Direct expenses	(13,442)	(1,925)	(30,556)	(44,657)	(90,580)	-	
Net rebate on re-takaful	-	-	-	231,942	231,942	-	
Surplus / (Deficit) before other income	(930,749)	(2,161,862)	2,106,571	2,300,952	1,314,911	-	
Other income					-	-	
Surplus / (deficit) for the period					1,314,911	-	
Surplus / (deficit) appropriation account:							
Balance at the beginning of the period					29,582	-	
Surplus / (deficit) for the period					1,314,911	-	
Balance at the end of the period					1,344,493	-	
SHF REVENUE ACCOUNT							
Wakala fee					33,202,610	-	
Commission expense					(6,853,895)	-	
Management expenses					(1,374,854)	-	
					24,973,861	-	
Investment income					1,348,998	-	
Other income					471,719	-	
General & administrative expenses					(22,872,232)	-	
Profit / (loss) for the period					3,922,346	-	
Profit / (loss) appropriation account:							
Balance at the beginning of the period					(711,016)	-	
Profit / (loss) for the period					3,922,346	-	
Accumulated profit / (loss) for the period					3,211,330	-	

The annexed notes from 1 to 8 form an integral part of these condensed interim financial statements.

WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the quarter and half year ended June 30, 2015

	Quarter ended		Half year ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	(Rupees)			
Profit for the period	924,060	-	1,314,911	-
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss	-	-	-	-
Items that may not be subsequently reclassified to profit or loss	-	-	-	-
Total comprehensive profit for the period	924,060	-	1,314,911	-

The annexed notes from 1 to 8 form an integral part of these condensed interim financial statements.

WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the quarter and half year ended June 30, 2015

	Stutory fund	Accumulated Surplus/ (deficit)	Total
	-----Rupees-----		
Balance as at January 01, 2015	50,000,000	(711,016)	49,288,984
Profit for the period	-	3,922,346	3,922,346
Other comprehensive income for the period	-	-	-
	-	3,922,346	3,922,346
Balance at June 30, 2015	50,000,000	3,211,330	53,211,330

	Ceded money	Accumulated Surplus/ (deficit)	Total
	-----Rupees-----		
Balance at January 1, 2015	500,000	29,582	529,582
Surplus / loss for the period		1,314,911	1,314,911
Balance as at June 30, 2015	500,000	1,344,493	1,844,493

The annexed notes 1 to 8 form an integral part of this condensed interim financial information.

WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

For the half year ended June 30, 2015

	Half year ended	
	June 30, 2015	June 30, 2014
	(Rupees)	
Operating cash flows		
a) Underwriting activities		
Premiums received	62,643,004	-
Reinsurance premiums paid	(4,071,789)	-
Claims paid	(116,894)	-
Reinsurance and other recoveries received	(39,335,212)	-
Commissions paid	(12,426,854)	-
Commission received	439,937	-
Other underwriting payments	490,266	-
Net cash flow from underwriting activities	7,622,458	-
b) Other operating activities		
General and management expenses paid	(24,247,086)	-
Other operating payments	(3,072,166)	-
Other operating receipts	29,367,736	-
Net cash outflow from other operating activities	2,048,484	-
Total cash flow from all operating activities	9,670,942	-
Investment activities		
Profit/ return received	1,348,998	-
Payments for investments	(41,348,998)	-
Fixed capital expenditure	(4,327,904)	-
Total cash flow from investing activities	(44,327,904)	-
Net cash inflow / (outflow) from all activities	(34,656,962)	-
Cash and cash equivalents at beginning of the period	51,247,304	-
Cash and cash equivalents at end of the period	16,590,342	-

WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

For the half year ended June 30, 2015

	Half year ended	
	June 30, 2015	June 30, 2014
	(Rupees)	
Reconciliation to condensed interim profit and loss account		
Operating cash flows	9,670,942	-
Depreciation / amortisation expense	(109,127)	-
Investment and other income	1,348,998	-
(Decrease) / increase in assets other than cash	72,938,547	-
Decrease in liabilities other than running finance	(78,612,102)	-
Profit/ (loss) or the Period	5,237,258	-

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 purpose of statement of cash flows consists of :

Cash and cash equivalents

Cash and other equivalents	210,394	-
Current and other accounts	15,378,272	-
Deposits maturing within 12 months	1,001,676	-
	16,590,342	-

The annexed notes from 1 to 8 form an integral part of these condensed interim financial statements.

WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF CONTRIBUTIONS (UN-AUDITED)
For the quarter and half year ended June 30, 2015

Business underwritten inside Pakistan

Class	Contribution written	Wakala fee	Unearned contribution reserve		retakaful ceded	Prepaid retakaful contribution ceded		2015 Net contribution revenue	2014 Net contribution revenue	
			Opening	Closing		Opening	Closing			
			Quarter ended June 30							
-----Rupees-----										
Direct & facultative										
Fire and Property Damage	9,694,964	3,877,986	697,808	5,291,759	1,223,027	4,106,622	364,158	2,352,243	2,118,537	(895,510)
Marine, Aviation and Transport	1,763,816	705,526	-	503,179	555,111	2,849,101	-	1,083,702	1,765,399	(1,210,288)
Motor	25,025,085	10,010,034	839,178	13,781,217	2,073,012	497,951	46,798	326,761	217,988	1,855,024
Miscellaneous	35,895,374	14,358,150	1,173,980	19,347,830	3,363,374	1,733,499	6,129	831,981	907,647	2,455,727
Grand Total	72,379,239	28,951,696	2,710,966	38,923,985	7,214,524	9,187,173	417,085	4,594,687	5,009,571	2,204,953

Half year ended June 30

Class	Contribution written	Wakala fee	Unearned contribution reserve		contribution earned	retakaful ceded	Prepaid retakaful contribution ceded		retakaful expenses	2015 Net contribution revenue	2014 Net contribution revenue
			Opening	Closing			Opening	Closing			
Direct & facultative											
Fire and Property/Damage	12,318,032	4,927,213	602,086	5,291,759	2,701,146	5,475,496	-	2,352,243	3,123,253	(422,107)	-
Marine, Aviation and Transport	1,763,816	705,526	-	503,179	555,111	3,798,750	-	1,083,702	2,715,048	(2,159,957)	-
Motor	28,001,491	11,200,596	78,288	13,781,217	3,097,966	663,933	-	326,761	337,172	2,760,794	-
Miscellaneous	40,923,187	16,369,275	-	19,347,830	5,206,082	1,759,749	-	831,981	927,768	4,278,314	-
Grand Total	83,006,526	33,202,610	680,374	38,923,985	11,560,305	11,697,928	-	4,594,687	7,103,241	4,457,064	-

Rupees

The annexed notes from 1 to 8 form an integral part of these condensed interim financial statements.

WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF CLAIMS (UN-AUDITED)
For the quarter and half year ended June 30, 2015

Business underwritten inside Pakistan

Class	Quarter ended June 30										
	Claims paid		Outstanding claims		Claims expense	Retakaful and other recoveries received	Retakaful and other recoveries in respect of outstanding claims		Retakaful and other recoveries	2015 Net claims expense	2014 Net claims expense
	Opening	Closing	Opening	Closing			Opening	Closing			
Fire and Property Damage	-	495,200	495,200	-	-	-	-	-	-	-	-
Marine, Aviation and Transport	-	-	-	-	-	-	-	-	-	-	-
Motor	60,864	379,000	562,803	244,667	-	-	-	-	244,667	-	-
Miscellaneous	56,030	987,060	2,108,618	1,177,588	-	-	-	-	-	1,177,588	-
Grand Total	116,894	1,861,260	3,166,621	1,422,255	-	-	-	-	-	1,422,255	-

-----Rupees-----

Half year ended June 30

Class	Claims paid		Outstanding claims		Claims expense	Retakaful and other recoveries received	Retakaful and other recoveries in respect of outstanding claims		Retakaful and other recoveries revenue	2015 Net claims expense	2014 Net claims expense
	Opening	Closing	Opening	Closing			Opening	Closing			
-----Rupees-----											
Direct & facultative											
Fire and Property Damage	-	-	495,200	-	495,200	-	-	-	-	495,200	-
Marine, Aviation and Transport	-	-	-	-	-	-	-	-	-	-	-
Motor	60,864	-	562,803	562,803	623,667	-	-	-	-	623,667	-
Miscellaneous	56,030	-	2,108,618	2,164,648	2,164,648	-	-	-	-	2,164,648	-
Grand Total	116,894	-	3,166,621	3,283,515	3,283,515	-	-	-	-	3,283,515	-

The annexed notes from 1 to 8 form an integral part of these condensed interim financial statements.

WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF EXPENSES (UN-AUDITED)
For the quarter and half year ended June 30, 2015

Business underwritten inside Pakistan

Class	Quarter ended June 30										
	Commission paid or payable	Deferred commission	Net commission expense	Other management expenses	Takaful expenses	Rebate on retakaful	Unearned retakaful	Rebate	Net rebate on retakaful	2015 Net Takaful expenses	2014 Net Takaful expenses
	Opening	Closing				Opening	Closing				
Direct and facultative											
Fire and Property Damage	1,915,572	157,335	1,076,992	13,442	1,009,357	-	-	-	-	1,009,357	-
Marine, Aviation and Transport	345,899	-	98,678	1,925	249,146	-	-	-	-	249,146	-
Motor	4,137,736	80,928	2,177,697	30,556	2,071,523	-	-	-	-	2,071,523	-
Miscellaneous	4,595,778	129,219	2,434,453	44,657	2,335,201	499,937	207,994	231,942	231,942	2,103,259	-
Grand Total	10,994,985	367,482	5,787,820	90,580	5,665,227	499,937	207,994	231,942	231,942	5,433,285	-

-----Rupees-----

Half year ended June 30

Class	Commission paid or payable	Deferred commission		Net commission expense	Other management expenses	Takaful expenses	Rebate on retakaful	Unearned retakaful Rebate		2015 Net takaful expenses	2014 Net Takaful expenses
		Opening	Closing					Opening	Closing		
Direct and facultative											
Fire and Property Damage	2,506,996	203,145	1,076,992	1,633,149	13,442	1,646,591	-	-	-	1,646,591	-
Marine, Aviation and Transport	345,899	-	98,678	247,221	1,925	249,146	-	-	-	249,146	-
Motor	4,424,774	11,715	2,177,697	2,258,792	30,556	2,289,348	-	-	-	2,289,348	-
Miscellaneous	5,149,186	-	2,434,453	2,714,733	44,657	2,759,390	439,937	207,994	231,942	2,527,448	-
Grand Total	12,426,855	214,860	5,787,820	6,853,895	90,580	6,944,475	439,937	207,994	231,942	6,712,533	-

-----Rupees-----

The annexed notes from 1 to 8 form an integral part of these condensed interim financial statements.

WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS

For the half year ended June 30, 2015

1 STATUS AND NATURE OF BUSINESS

SPI Insurance Company Limited (the Company) is an unquoted public limited company incorporated in Islamabad, Pakistan on February 15, 2005 under the Companies Ordinance, 1984. The Company is engaged in non-life insurance business mainly comprising of fire, marine, motor and miscellaneous. The Company commenced its commercial operations on April 13, 2005. The registered office of the Company is situated at suite # 204-A, Second Floor, Madina City Mall, Abdullah Haroon Road, Karachi and principal office of the Company is situated at UIG House 6-D, 1st Floor, Upper Mall, Lahore, Pakistan.

The Company has been allowed to work as Window Takaful Operator through License No.3 on November 20, 2014 by Securities and Exchange Commission of Pakistan under Window Takaful Rules, 2012 to carry on Islamic General Insurance in Pakistan. It has not transacted any business outside Pakistan.

For the purpose of carrying on the takaful business, the company has formed a waqf for participants' equity fund. The Waqf namely SPI Insurance Company Limited (Window Takaful Operations)-Waqf Fund (hereafter referred to as participant takaful fund (PTF)) on October 29, 2014 under a trust deed executed by the Company with a ceded money of Rs.500,000/- . Waqf deed also governs the relationship of shareholders and policy holders for management of takaful operations, investment policy holders funds and investment of shareholders' funds approved by shariah advisor of the company.

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 and the directives issued by SECP. Wherever the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 or the requirements of the said directives take precedence.

2.1 BASIS OF PREPARATION

The accounting policies and the methods of computation of preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended December 31, 2014.

2.2 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except that certain financial instruments are carried at fair value and staff retirement benefits are stated at present value.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial informations have been presented in Pakistan rupee, which is also the Company's functional currency. All financial information presented in Pakistan rupees are rounded off to nearest rupees unless otherwise stated.

2.4 SIGNIFICANT ESTIMATES AND JUDGEMENTS

The preparation of the condensed interim financial statement requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management and the key sources of estimating uncertainty in preparation of these condensed interim financial statements were same as those applied to the annual financial statements for the year ended December 31, 2014.

WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS

For the half year ended June 30, 2015

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2014.

2.6 FINANCIAL RISK AND CAPITAL MANAGEMENT

The Company's financial risk management and capital management objectives and policies are consistent with that disclosed in the annual financial statements for the year ended December 31, 2014.

	Note	June 30, 2015	December 31, 2014
3 STATUTORY RESERVES			
Statutory reserves	3.1	50,000,000	50,000,000
3.1 Amount of Rs 50 million is deposited as statutory reserves to comply with provisions of para 4 of Circular No 8 of 2014 read with section 11(c) of Takaful Rules, 2012 issued by Securities and Exchange Commission which states that "Every insurer who is interested to commence window takaful business shall transfer an amount of not less than 50.million Rupees to be deposited in a separate bank account for window takaful business duly maintained in a scheduled bank" .			
4 CEDED MONEY			
Waqf money	4.1	500,000	500,000
4.1 The amount of Rs.500,000/- has been set a part for Waqf Fund/Participant Takaful Fund as Waqf money according to the Waqf deed prepared for the purpose of creation of Waqf Fund/Participant Takaful Fund.			
5 ACCRUED EXPENSES - (SHF)			
Salaries and wages		5,685,389	85,000
Auditor's fee		20,000	120,000
Shariah advisor fee		140,000	210,000
Utilities		628,042	-
Advertisement expense		-	347,625
		6,473,431	762,625
6 OTHER CREDITORS AND ACCRUALS			
Commission -SHF		2,394,772	119,893
Government levies payable		4,389,905	181,140
SPI insurance company		6,598,777	278,471
WHT payable		15,723	-
Wakala fee payable to SHF		-	313,752
Others		11,163,526	12,517
		24,562,703	905,773

WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS

For the half year ended June 30, 2015

	Note	June 30, 2015	December 31, 2014
7 INVESTMENTS			
The investments comprise the following:			
Held to maturity			
NAFA funds	7.1	16,176,316	-
MEZAN funds		25,172,682	-
		41,348,998	-

7.1 These Investments comprise of NAFA Funds (NAFA Islamic Asset Allocation Fund, NAFA Islamic Stock Fund) and Meezan Funds (CDC Trustee Meezan Balance Fund, Meezan Preservation Fund, Meezan Mutal Fund). These funds have face value of Rs. 16 million (2014: NIL) and Rs. 25 million (2014: NIL), respectively. Since these funds are Islamic in nature, so markup percentage is not pre-decided.

8 AMOUNT DUE FROM OTHER TAKAFUL/RETAKAFUL - (PTF)

Unsecured			
Considered good		39,452,955	117,743
Considered doubtful		-	-
		39,452,955	117,743

8.1 GENERAL

Figures have been rounded off to the nearest rupee for better presentation.

Corresponding figures have been re-classified and re-arranged, whenever necessary, to confirm with the current classification. However, there are no materiel re-classification to report.



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