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working world

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

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed financial statements comprising of:

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

of Asia Care Health and Life Insurance Company Limited (the Company) as at 31 December 2014 together with the notes forming part thereof, for the year then ended.

It is the responsibility of the Company's Board of Directors to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan and the requirements of the Insurance Ordinance, 2000 (XXXIX of 2000) and the Companies Ordinance, 1984 (XLVII of 1984). Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the International Standards on Auditing as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as, evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) proper books of accounts have been kept by the Company as required by the Insurance Ordinance, 2000 and the Companies Ordinance, 1984;
- (b) the financial statements together with the notes thereon have been drawn up in conformity with the Insurance Ordinance, 2000 and the Companies Ordinance, 1984, and accurately reflect the books and records of the Company and are further in accordance with accounting policies consistently applied except for the changes as stated in note 4.1, with which we concur;

EY

-: 2 :-

- (c) the financial statements together with the notes thereon present fairly, in all material respects, the state of the Company's affairs as at 31 December 2014 and of the profit, comprehensive income, its cash flows and changes in equity for the year then ended in accordance with approved accounting standards as applicable in Pakistan, and give the information required to be disclosed by the Insurance Ordinance, 2000 and the Companies Ordinance, 1984; and
- (d) the apportionment of assets, liabilities, revenue and expenses between two or more funds has been performed in accordance with the advice of the appointed actuary; and
- (e) No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).



Chartered Accountants

Audit Engagement Partner: Arslan Khalid

Date: 28 February 2015

Karachi

ASIA CARE HEALTH AND LIFE INSURANCE COMPANY LIMITED
BALANCE SHEET
AS AT DECEMBER 31, 2014

	Note	Shareholders' fund	Statutory fund Accident and health	Aggregate 2014	Aggregate 2013
------(Rupees in '000)-----					
Share capital and reserves					
Authorized share capital 80,000,000 ordinary shares of Rs. 10 each		800,000	-	800,000	800,000
Issued, subscribed and paid up share capital 50,000,000 ordinary shares of Rs. 10 each	6	500,000	-	500,000	500,000
Accumulated deficit		(194,912)	-	(194,912)	(199,471)
Net shareholders' equity		305,088	-	305,088	300,529
Balance of statutory fund (including policyholders' liabilities Rs. 126.687 million (December 31, 2013: 114.817 million))	8	-	229,239	229,239	270,229
Deferred liabilities					
Staff retirement benefits	9	21,770	-	21,770	17,004
Creditors and accruals					
Outstanding claims		-	65,560	65,560	131,280
Premium received in advance		-	3,269	3,269	2,652
Amount due to other insurers / reinsurers		-	1,231	1,231	1,108
Amounts due to agents		-	7,879	7,879	5,102
Accrued expenses	10	2,423	-	2,423	2,071
Other creditors	11	1,074	-	1,074	1,074
		3,497	77,939	81,436	143,287
Other liabilities		543	236	779	534
TOTAL LIABILITIES		25,810	307,414	333,224	431,054
CONTINGENCIES AND COMMITMENTS	12				
TOTAL EQUITY AND LIABILITIES		330,898	307,414	638,312	731,583

The annexed notes from 1 to 25 form an integral part of these financial statements.


CHAIRMAN


CHIEF EXECUTIVE


DIRECTOR


DIRECTOR

ASIA CARE HEALTH AND LIFE INSURANCE COMPANY LIMITED
BALANCE SHEET
AS AT DECEMBER 31, 2014

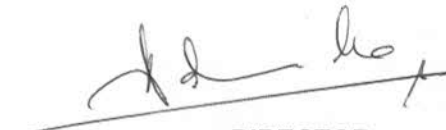
	Note	Shareholders' fund	Statutory fund Accident and health	Aggregate 2014	Aggregate 2013
------(Rupees in '000)-----					
Cash and bank deposits	13				
Cash and others		-	28	28	26
Current and other accounts		69,420	18,631	88,051	109,638
		69,420	18,659	88,079	109,664
Investments	14				
Government securities		135,922	43,666	179,588	275,361
Listed securities		29,677	-	29,677	25,358
Open end mutual funds		60,924	125,612	186,536	159,372
		226,523	169,278	395,801	460,091
Other assets					
Premiums due but unpaid	15	-	106,496	106,496	122,029
Amounts due from other insurers / reinsurers		-	87	87	994
Sundry receivables		1,570	3,000	4,570	-
Investment income accrued		2,661	-	2,661	-
Advances and deposits	16	2,310	9,894	12,204	9,732
Prepayments		1,438	-	1,438	1,870
Taxation - payments less provision		18,110	-	18,110	15,143
		26,089	119,477	145,566	149,768
Fixed assets					
Tangible assets					
Furniture, fixture and office equipment	17.1	5,785	-	5,785	8,121
Intangible assets					
Computer software	17.2	2,681	-	2,681	3,539
Software under development		400	-	400	400
		8,866	-	8,866	12,060
TOTAL ASSETS		<u>330,898</u>	<u>307,414</u>	<u>638,312</u>	<u>731,583</u>

The annexed notes from 1 to 25 form an integral part of these financial statements.


CHAIRMAN


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DIRECTOR

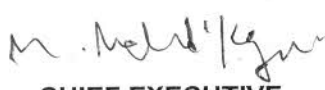

DIRECTOR

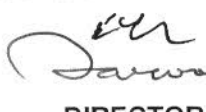
ASIA CARE HEALTH AND LIFE INSURANCE COMPANY LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2014

	Note	2014	2013
		------(Rupees in '000)-----	
Investment income not attributable to statutory funds			
Income from trading investments			
Dividend income		927	10,973
Gain on sale of investments		2,983	39,805
		3,910	50,778
Income from non - trading investments			
Return on Government securities		12,642	10,169
Return on other fixed income securities and deposits		4,156	3,555
		16,798	13,724
Gain on revaluation of trading investments			
Listed equities		7,022	8,521
Open end mutual funds		4,746	443
		11,768	8,964
Investment income		32,476	73,466
Less: Investment related expenses		7	185
Net Investment income		32,469	73,281
Less: Expenses not attributable to statutory funds	18	18,373	16,892
Loss on disposal of assets		2	151
Profit before tax		14,094	56,540
Tax expense	19	(252)	(1,097)
Profit after tax		13,842	55,443
Earnings per share - basic and diluted (rupees)	21	0.28	1.11

The annexed notes from 1 to 25 form an integral part of these financial


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DIRECTOR


DIRECTOR

ASIA CARE HEALTH AND LIFE INSURANCE COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2014

	2014	2013
	------(Rupees in '000)-----	
Profit after tax	13,842	55,443
Other comprehensive income for the year		
Items not to be reclassified to profit and loss account in subsequent periods		
Actuarial gain / (loss) on defined benefit plan	1,817	(263)
Total comprehensive income for the year	15,659	55,180

The annexed notes from 1 to 25 form an integral part of these financial statements.


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DIRECTOR


DIRECTOR

ASIA CARE HEALTH AND LIFE INSURANCE COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2014

	Issued, subscribed and paid-up capital	Accumulated surplus	Capital contribution to statutory fund	Net accumulated deficit	Total
	----- (Rupees in "000) -----				
Balance as at January 1, 2013	500,000	204,661	391,912	(187,251)	312,749
Total comprehensive income for the year ended December 31, 2013					
Profit after tax	-	55,443	-	55,443	55,443
Other comprehensive income	-	(263)	-	(263)	(263)
	-	55,180	-	55,180	55,180
Capital contributed during the year	-	-	67,400	(67,400)	(67,400)
Balance as at December 31, 2013	<u>500,000</u>	<u>259,841</u>	<u>459,312</u>	<u>(199,471)</u>	<u>300,529</u>
Total comprehensive income for the year ended December 31, 2014					
Profit after tax	-	13,842	-	13,842	13,842
Other comprehensive income	-	1,817	-	1,817	1,817
	-	15,659	-	15,659	15,659
Capital contributed during the year	-	-	11,100	(11,100)	(11,100)
Balance as at December 31, 2014	<u>500,000</u>	<u>275,500</u>	<u>470,412</u>	<u>(194,912)</u>	<u>305,088</u>

The annexed notes from 1 to 25 form an integral part of these financial statements.


CHAIRMAN


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DIRECTOR

