

**ALLIANZ EFU HEALTH INSURANCE LIMITED**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2013**

	Note	2013	2012		Note	2013	2012
<b>Share capital and reserves</b>		----- (Rupees in '000) -----		<b>Cash and bank deposits</b>		----- (Rupees in '000) -----	
Authorised share capital 50,000,000 ordinary shares of Rs. 10 each		<u>500,000</u>	<u>500,000</u>	Cash and other equivalents Current and other accounts	11	25 <u>33,791</u>	22 <u>26,130</u>
Issued, subscribed and paid-up share capital	8	300,000	300,000	Loan to employees - unsecured, considered good		972	642
Unappropriated profits		<u>225,606</u>	<u>153,985</u>	Investments	12	757,437	640,457
<b>Total equity</b>		<u>525,606</u>	<u>453,985</u>	Deferred taxation	13	2,097	3,039
<b>Underwriting provisions</b>				<b>Current assets - others</b>			
Provision for outstanding claims (including IBNR)		<u>222,196</u>	219,407	Premium due but unpaid - considered good		<u>175,144</u>	136,965
Provision for unearned premium		<u>404,329</u>	315,030	Amounts due from other insurers / reinsurers - considered good		6,129	25,271
Commission income unearned		<u>25,903</u>	20,767	Accrued investment income		7,299	7,406
		<u>652,428</u>	555,204	Prepaid reinsurance ceded		129,514	103,838
<b>Creditors and accruals</b>				Reinsurance recoveries against outstanding claims		79,801	76,542
Premium received in advance		<u>14,770</u>	18,245	Deferred commission expense	14	18,447	11,455
Amounts due to other insurers / reinsurers		<u>4,772</u>	2,637	Deposits and prepayments	15	12,792	10,204
Accrued expenses	9	<u>44,377</u>	25,398	Sundry receivables		<u>8,078</u>	7,495
Taxation - Provision less payments		<u>3,090</u>	6,317			<u>437,204</u>	379,176
		<u>67,009</u>	52,597	<b>Fixed assets</b>			
<b>Other liabilities</b>				<b>Tangible and intangible</b>	16		
Other payables	10	20,808	16,007	Furniture, fixture and office equipments		<u>7,079</u>	5,545
<b>Total liabilities</b>		<u>740,245</u>	623,808	Motor vehicles		<u>22,715</u>	18,585
				IT softwares and website		<u>4,531</u>	4,197
						<u>34,325</u>	28,327
<b>Total equity and liabilities</b>		<u>1,265,851</u>	<u>1,077,793</u>	<b>Total assets</b>		<u>1,265,851</u>	<u>1,077,793</u>

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

SD  
\_\_\_\_\_  
Director

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Director

SD  
\_\_\_\_\_  
Chief Executive

SD  
\_\_\_\_\_  
Chairman

**ALLIANZ EFU HEALTH INSURANCE LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	Others Accident and Health	
		2013	2012
----- (Rupees in '000) -----			
<b>Revenue account</b>			
Net premium revenue		798,144	752,578
Net claims		(581,895)	(568,187)
Expenses	17	(135,578)	(124,589)
Net commission		33,864	35,229
<b>Underwriting result</b>		<b>114,535</b>	<b>95,031</b>
Investment income		87,295	91,263
Other income	20	24,234	22,033
General and administrative expenses	18	(43,014)	(38,986)
		<b>68,515</b>	<b>74,310</b>
<b>Profit before tax</b>		<b>183,050</b>	<b>169,341</b>
Taxation	21	(51,429)	(42,280)
<b>Profit after tax</b>		<b>131,621</b>	<b>127,061</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>131,621</b>	<b>127,061</b>
<b>Profit and loss appropriation account</b>			
<b>Balance at commencement of the year</b>		<b>153,985</b>	<b>26,924</b>
Profit after tax for the year		131,621	127,061
Dividend for the year 2012 @ Rs. 2/- per share		(60,000)	-
<b>Balance at end of the year</b>		<b>225,606</b>	<b>153,985</b>

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SD	SD	SD	SD
_____ Director	_____ Director	_____ Chief Executive	_____ Chairman

**ALLIANZ EFU HEALTH INSURANCE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	Issued, subscribed and paid-up	Unappropriated profit (Rupees in '000)	Total
	-----	-----	-----
<b>Balance as at 1 January 2012</b>	300,000	26,924	326,924
Total comprehensive income for the year	-	127,061	127,061
<b>Balance as at 31 December 2012</b>	300,000	153,985	453,985
Total comprehensive income for the year	-	131,621	131,621
<b>Transactions with owners recorded directly in equity - distributions</b>			
Dividend for the year 2012 @ Rs. 2/- per share	-	(60,000)	(60,000)
<b>Balance as at 31 December 2013</b>	<b><u>300,000</u></b>	<b><u>225,606</u></b>	<b><u>525,606</u></b>

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**ALLIANZ EFU HEALTH INSURANCE LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	----- (Rupees in '000) -----	
<b>Operating cash flows</b>		
a) Underwriting activities		
Premiums received	1,252,616	1,124,147
Reinsurance premium paid	(292,571)	(538,077)
Claims paid	(861,597)	(884,535)
Reinsurance and other recoveries received	215,094	435,175
Commissions paid	(51,993)	(46,160)
Commission received	58,512	107,588
Other underwriting provisions	(12,573)	(14,964)
Net cash inflow from underwriting activities	307,488	183,174
b) Other operating activities		
Income tax paid	(53,714)	(37,528)
General management expenses paid	(160,868)	(136,702)
Other operating receipts	17,334	16,283
Loan advanced	(3,551)	(2,713)
Loan payment received	3,221	3,798
Net cash flow from other operating activities	(197,578)	(156,862)
<b>Total cash inflow from all operating activities</b>	109,910	26,312
<b>Investment activities</b>		
Profit / return received	20,730	37,132
Dividend received	12,985	8,758
Payments for investments	(2,168,252)	(1,032,777)
Proceeds from disposal / redemption of investments	2,104,959	959,404
Fixed capital expenditure	(22,267)	(13,990)
Proceeds from disposal of fixed assets	9,599	5,344
<b>Total cash outflow from investing activities</b>	(42,246)	(36,129)
<b>Financing activities</b>		
Dividend paid	(60,000)	-
<b>Total cash outflow from financing activities</b>	(60,000)	-
<b>Net cash inflow / (outflow) from all activities</b>	7,664	(9,817)
Cash at beginning of the year	26,152	35,969
<b>Cash at end of the year</b>	33,816	26,152
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	109,910	26,312
Depreciation and amortization	(12,947)	(10,373)
Gain on disposal of fixed assets	6,277	4,785
Income from investment	87,295	91,263
Increase / (decrease) in assets other than cash	57,523	(23,247)
( Increase ) / decrease in liabilities	(116,437)	38,321
<b>Profit after taxation</b>	131,621	127,061
<b>Definition of cash:</b>		
Cash in hand and at banks, stamps in hand and deposits with banks.		
<b>Cash for the purposes of the statement of cash flows consists of:</b>		
Cash and other equivalents	25	22
Current and other accounts	33,791	26,130
	33,816	26,152

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**ALLIANZ EFU HEALTH INSURANCE LIMITED**  
**STATEMENT OF PREMIUMS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	Premium written (A)	Unearned premium reserve		Premium earned (D=A+B-C)	Reinsurance ceded (E)	Prepaid Reinsurance premium ceded		Reinsurance expense (H = E+F-G)	Net premium revenue (I = D-H)
		Opening	Closing			Opening	Closing		
		(B)	(C)			(F)	(G)		
----- (Rupees in '000) -----									
<b>Business underwritten inside Pakistan</b>									
<b>Direct and facultative</b>									
Accident and health 2013	<u>1,294,270</u>	<u>315,030</u>	<u>404,329</u>	<u>1,204,971</u>	<u>432,503</u>	<u>103,838</u>	<u>129,514</u>	<u>406,827</u>	<u>798,144</u>
Accident and health 2012	<u>1,082,540</u>	<u>379,235</u>	<u>315,030</u>	<u>1,146,745</u>	<u>364,556</u>	<u>133,449</u>	<u>103,838</u>	<u>394,167</u>	<u>752,578</u>

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**ALLIANZ EFU HEALTH INSURANCE LIMITED**  
**STATEMENT OF CLAIMS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

Claims paid	Outstanding		Claims expense	Reinsurance and other recoveries received	Reinsurance recoveries of outstanding claims Opening	Reinsurance and other recoveries in respect of outstanding claims Closing	Reinsurance and other recoveries revenue	Experience refund	Net claims expense
	Opening	Closing							
(A)	(B)	(C)	(D=A-B+C)	(E)	(F)	(G)	(H=E-F+G)	(I)	(J=D-H+I)

(Rupees in '000)

**Business underwritten  
inside Pakistan**

**Direct and facultative**

Accident and health 2013	<u>861,597</u>	<u>219,407</u>	<u>222,196</u>	<u>864,386</u>	<u>298,505</u>	<u>76,542</u>	<u>79,801</u>	<u>301,764</u>	<u>19,273</u>	<u>581,895</u>
Accident and health 2012	<u>884,535</u>	<u>216,468</u>	<u>219,407</u>	<u>887,474</u>	<u>309,580</u>	<u>76,427</u>	<u>76,542</u>	<u>309,695</u>	<u>(9,592)</u>	<u>568,187</u>

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**ALLIANZ EFU HEALTH INSURANCE LIMITED**  
**STATEMENT OF EXPENSES**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

Commissions paid or payable (A)	Deferred commission		Net commission expense (D=A+B-C)	Other management expenses (E)	Underwriting expense (F=D+E)	Commissions from reinsurers* (G)	Net underwriting expense (H=F-G)
	Opening (B)	Closing (C)					

----- (Rupees in '000) -----

**Business underwritten  
inside Pakistan**

**Direct and facultative**

<b>Accident and health 2013</b>	<b>54,486</b>	<b>11,455</b>	<b>18,447</b>	<b>47,494</b>	<b>135,578</b>	<b>183,072</b>	<b>81,358</b>	<b>101,714</b>
Accident and health 2012	44,319	10,663	11,455	43,527	124,589	168,116	78,756	89,360

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

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**ALLIANZ EFU HEALTH INSURANCE LIMITED**  
**STATEMENT OF INVESTMENT INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	Others Accident and Health	
		2013	2012
<b>Income from non-trading investments (available-for-sale)</b>		<b>(Rupees in '000)</b>	
Return on Government securities		11,867	16,437
Return on other fixed income securities		7,210	12,441
Amortisation / accretion of premium / discount relative to par		846	596
Dividend income		14,590	8,758
Gain on sale of non-trading investments		60,615	40,017
		<u>95,128</u>	<u>78,249</u>
Provision on Term Finance Certificates	12.2.1	(12,512)	(9,969)
Provision on shares of listed companies	12.3.1	(2,331)	-
Reversal on shares of listed companies	12.3.1	7,069	23,034
		(7,774)	13,065
Investment related expenses		(59)	(51)
<b>Net investment income</b>		<u>87,295</u>	<u>91,263</u>

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