



ASKARI LIFE ASSURANCE COMPANY LIMITED

REPORT FOR THE NINE MONTH ENDE SEPTEMBER 30, 2022

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VISION

To be a trusted, globally acknowledged, top rated Financial Solutions Providing Company.

MISSION

To uplift the financial well-being of Policy Holders, Customers, Advisors, Employees; and Shareholder profitability by continuously reinforcing deep commitment to our Core Values.

CORE VALUES

1. FINANCIAL ACUMEN

We believe in empowering our customers through need based packaged financial solutions to cater specific needs with an extensive distribution network.

2. CUSTOMER CARE

We believe in creating value for society by optimizing customer experience through superior financial advisory that makes positive difference in our customer's life.

3. ETHICAL CONDUCT

We believe in exhibiting and ensuring honesty and integrity at all times by encouraging open communication, transparency and humility.

4. SUSTAINABILITY

We believe in generating revenue from multiple channels to build a strong asset base for long term sustainable income and growth for the Trust.

COMPANY INFORMATION

Board of Directors

Lt. Gen. Naveed Mukhtar (Retd.)-Chairman
Air Vice Marshal Muhammad Athar Shams (Retd)
Rizwan Ullah Khan
Malik Riffat Mahmood
Tariq Hameed
Ayesha Rafique
Javed Yunus
Jehanzeb Zafar- CEO

Board Committees

Audit Committee:

Tariq Hameed	Chairman
Rizwan Ullah Khan	Member
Malik Riffat Mahmood	Member
Muhammad Nadeem Rajput	Secretary

Investment Committee:

Malik Riffat Mahmood	Chairman
Air Vice Marshal Muhammad Athar Shams (Retd)	Member
Jehanzeb Zafar	Member
Mohammad Azmatullah Sharif	Member
Rehan Mobin	Member
Muhammad Nadeem Rajput	Secretary

Ethics, Human Resource Remuneration & Nomination Committee:

Ayesha Rafique	Chairperson
Rizwan Ullah Khan	Member
Air Vice Marshal Muhammad Athar Shams (Retd)	Member
Jehanzeb Zafar	Member
Salman Ahmad Saeed	Secretary

Management Committees

Risk Management & Compliance Committee:

Air Vice Marshal Muhammad Athar Shams (Retd)	Chairman
Tariq Hameed	Member
Jehanzeb Zafar	Member
Mohammad Azmatullah Sharif	Member
Rehan Mobin	Member
Atif Shamim Syed	Member & Secretary

Underwriting & Reinsurance Committee:

Air Vice Marshal Muhammad Athar Shams (Retd)	Chairman
Jehanzeb Zafar	Member
Mohammad Azmatullah Sharif	Member
Sumair Sarwar	Member & Secretary

Claim Settlement Committee:

Rizwan Ullah Khan	Chairman
Jehanzeb Zafar	Member
Rehan Mobin	Member
Bushra Aftab	Member & Secretary

Appointed Actuary

Shujat Siddiqui, MA, FIA, FPSA
Akhtar & Hasan (Pvt.) Ltd.

Legal Advisor

Saiduddin & Co

External Auditor

RSM Avais Hyder Liaquat Nauman- Chartered Accountants
(Chartered Accountants)

Registered Office

8th Floor Army Welfare Trust, AWT plaza, The Mall, Rawalpindi

Head Office

Emerald Tower, Officer No 1104, 11th Floor, Plot G-19, Block 5, KDA Improvement Scheme No. 5
Clifton Karachi, Pakistan.

Phone: +92 (021) 3629941-44, 021-111-225-275

Fax: +92(021)35630429

Website

www.askarilife.com

Email:

info@askarilife.com

Share Registrar

THK Associates (Pvt.) Limited
Plot No. 32-C, Jami Commercial Street 2,
D.H.A., Phase VII,
Karachi-75500

Dir: +92 (021) 021-111-000-322

Fax: +92 (021) 35310191

E-mail: secretariat@thk.com.pk

Web: www.thk.com.pk

Branch Network

Branch Network Head Office – Karachi

Office No.1104, 11th Floor, Emerald Tower, Plot
No. G-19, Block 5, KDA Improvement Scheme
No.5, Clifton, Karachi, Pakistan.
Telephone: (021) 111-225-275
Fax: (92-21) 35147540
Email: company.secretary@askarilife.com

Registered Office:

8th Floor, Army Welfare Trust, AWT Plaza,
The Mall, Rawalpindi, Pakistan.
Email: info@askarilife.com

Lahore Regional Development Center

Plot # 524, Block-15, Sector B-1,
Quaid-e-Azam Town Scheme,
College Road, Lahore, Pakistan.
Email: rdc.lahore@askarilife.com

Karachi Regional Development Center

Showroom number 05 & 06 Ground Floor,
Zubaida's Garden, Plot # 1 Survey no. 34,
Survey Sheet no. 35-P/1, Block 7 & 8
Kathiawar Cooperative Housing Society,
Karachi, Pakistan.
Email: rdc.karachi@askarilife.com

Rawalpindi Office

1.

Building # D-110, 6th Road,
Near Total Petrol Pump, Satellite Town,
Rawalpindi.

Email: rdc.islamabad@askarilife.com

Contact No:

UAN : 021-111 -225- 275

1st Floor, AWT Plaza building,
The Mall Road, Rawalpindi

Directors' Review Report

We are pleased to present the unaudited financial statements for the period ended September 30, 2022.

Financial Highlights

Financial Statement Line item	30-Sep-2022	30-Sep-2021
	Rs. int ('000)	
Gross premium revenue	831,411	547,143
Investment and other income	88,169	48,518
Net Insurance Benefits	94,015	83,112
Acquisition expense	489,820	231,939
Marketing and administration expenses	165,146	134,937
Other expenses	16,569	8,642
(Loss)/profit after tax	(226,097)	(138,379)
Loss per share	(1.51)	(0.92)

Financial Analysis of the Company

Gross Premium:

Gross premium for the 3rd quarter ended on September 30, 2022 showed improved results of Rs.831.41 million as compared to Rs.541.14 million in the same period of last year results, delivering a growth of 53%.

Growth in Individual life business has been witnessed which stood at Rs.577.66 million as compared to last year results of Rs. 273.45 million. However, there is a slight decline of 7% in Group Life business which stood at Rs.255.75 million as compared to result of Rs.273.70 million for same quarter of last year results.

Investment:

The Investment and other income (including returns on Bank Deposits) for the period ended of 2022 is Rs.88.17 million as compared to Rs 48.52 million for the same period of 2021.

The Company's Investment portfolio currently stands at Rs.1,191.56 million, as compared to Rs.1,021.25 million as at 31 December 2021. The Company is constantly evaluating new investment opportunities for diversification, keeping in view the current economic and political situation of the country.

Net Insurance Benefits:

The overall net insurance benefits expense for the period ended September 30, 2022 is Rs 94.02 million as compared to Rs 83.11million for the same period of last year block of 2021. The modernized claims process makes it convenient for corporate customer and policyholders to process their claims easily.

Expenses:

The Marketing & Administration expenses for the period ended or September 30, 2022, increased by 22% and stood at Rs.165.15 million as compared to Rs 134.94 million for the same period of last year result. Other expenses were Rs.16.57 million as compared to Rs. 8.64 million in the same period of 2021. The management of your Company is confident that investments made in development of new infrastructure are in line with business strategy to sustain growth in the long run.

As the Company is in growth stage and due to increase in topline revenue, loss after tax for the period ended of 2022 has increased to Rs.226.73 million as compared to Rs. 138.4 million for the same period of 2021, loss per share of Rs1.51.

Provincial sales tax

There was no further development in the matter of petitions filed by the Company and other life insurance players in the Hon'ble High Courts of Sindh and Lahore, against the levy of Sindh Sales Tax on services (SST) and Punjab Sales Tax on services (PST), by the Sindh Revenue Board (SRB) and the Punjab Revenue Authority (PRA).

Future Outlook

The insurance market is challenged by economic condition and catastrophe caused by flood in the country. However, your Company is continuing to focus on development and expansion of distribution network to promote new marketing strategy and launching of competitive products which will help in achieving growth in premium income in the long term with sustainable cost.

The Company is on the growth momentum. We are thankful to our policy holders for entrusting us to be a part of their future financial planning. With growth of portfolio and its renewal the Company will be on the path of profitability in near future.

We assure you of our best efforts to deliver sustainable, profitable growth in a challenging and competitive business environment in order to reach a leading position in the industry.


Acknowledgment

The Directors would like to take this opportunity to extend their gratitude to the regulators and the reinsurer for their continued guidance and support towards the Company for betterment of our business processes.

The Board also wishes sincerely to thank the Company's policyholders and corporate clients for placing their trust and confidence in our organization.

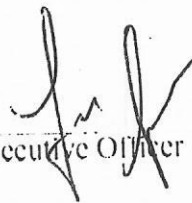
The Board also thanks shareholders and staff members, for their continued support, loyalty and dedication to the Company for the continued support of our shareholders, customers, suppliers and employees.

On behalf of the Board of Directors



Director

Date: October 25, 2022



Chief Executive Officer

ڈائریکٹرز رپورٹ

ہم سال ۲۰۲۲ء کی تیسری سہ ماہی کیلئے، جس کا اختتام ۳۰ ستمبر ۲۰۲۲ء کو ہوا، غیر آڈٹ شدہ شدہ مالیاتی حسابات پیش کرنے میں خوش محسوس کرتے ہیں۔

مالیاتی سرخیاں

تفصیلات	۳۰ ستمبر ۲۰۲۲ء	۳۰ ستمبر ۲۰۲۱ء
	000 روپوں میں	
مجموعی پریہیم سے آمدنی	831,411	547,143
سرمایہ کاری سے آمدنی اور دیگر سے آمدنی	88,169	48,518
خالص بیرفوائد	94,015	83,112
اخراجات برائے حصول	489,820	231,939
مارکیٹنگ اور انتظامی اخراجات	165,146	134,937
دیگر اخراجات	16,569	8,642
بعد از ٹیکس (نقصان) فائدہ	(226,097)	(138,379)
نی حصص نقصان	(1.51)	(0.92)

کمپنی کا مالی تجزیہ:

مجموعی پریہیم:

۳۰ ستمبر ۲۰۲۲ء کو ختم ہونے والی تیسری سہ ماہی کے لئے، آپ کی کمپنی نے پچھلے سال کے نتائج کے اسی دورے میں مجموعی پریہیم 547.14 ملین کے مقابلے میں 831.41 ملین روپے کے بہتر نتائج ظاہر کئے، یعنی ان میں 53 فیصد نشوونما دیکھنے میں آئی۔

انفرادی کاروبار میں نشوونما دیکھنے میں آئی، جو پچھلے سال کے 273.45 ملین روپے کے نتائج کے مقابلے میں 577.66 ملین روپے رہا۔ البتہ گروپ انٹرفارم میں 7 فیصد کی معمولی کمی پیش آئی جو پچھلے سال کے اسی دورے کے نتائج 273.70 ملین روپے کے مقابلے میں 255.75 ملین روپے رہا۔

سرمایہ کاری

۲۰۲۲ء کے نو مہینوں کے لئے سرمایہ کاری اور دیگر آمدنی (بشمول بینک ڈپازٹس پر منافع جات) ۲۰۲۱ء کے اسی دورے کے 48.52 ملین روپے کے مقابلے میں 88.17 ملین روپے رہی۔

کمپنی کی سرمایہ کاری، دسمبر ۲۰۲۱ء کے 1,021.25 ملین روپے کے مقابلے میں موجودہ طور پر 1,194.56 ملین روپے رہا۔ کمپنی ملک کی موجودہ معاشی اور -یاتی صورت حال پر بھی توجہ مبذول رکھتے ہوئے، سرمایہ کاری کی مختلف اقسام میں نئے مواقع کی تلاش میں کوشاں ہے۔

خالص بیرفوائد

۲۰۲۲ء کی تیسری سہ ماہی ختم ہونے پر ۲۰۲۱ء کے اسی دورے کے 83.11 ملین روپے کے مقابلے میں، مجموعی خالص بیرفوائد کے اخراجات 94.02 ملین روپے رہے۔ کلیمز کا جدید طریقہ کار کارپوریٹ صارف/پالیسی کے حامل افراد کے لئے ان کے کلیمز پر عمل درآمد کو آسان بناتا ہے۔

اخراجات

مارکیٹنگ اور انتظامی اخراجات ۲۰۲۱ء کے اسی دورانیے کے مقابلے میں جو 134.94 ملین روپے تھے ۲۰۲۲ء کی تیسری سہ ماہی کے اختتام پر 22 فیصد اضافے کے ساتھ 165.15 ملین روپے ہو گئے۔ دیگر اخراجات ۲۰۲۱ء کے اسی دورانیے کے مقابلے میں 8.64 ملین روپے کے مقابلے میں 16.57 ملین روپے رہے۔ آپ کی کمپنی کی انتظامیہ پر اعتماد ہے کہ کمپنی کے نئے انفراسٹرکچر کے فروغ میں کی جانے والی سرمایہ کاریاں آنے والے وقتوں میں کمپنی کے لئے بہت ہی زیادہ فائدہ مند ثابت ہوں گی۔ کیونکہ کمپنی اپنی نشوونما کے دور سے گزر رہی ہے اور اوپری سٹیج پر آمدنی میں اضافے کی وجہ سے، پچھلے سال کے اسی دورانیے میں 138.4 ملین روپے کے مقابلے میں ۲۰۲۲ء کی تیسری سہ ماہی میں بعد از ٹیکس نقصان 226.73 ملین روپے تک بڑھ گیا، یعنی فی حصص 1.5 روپے کا نقصان۔

صوبائی سیلز ٹیکس:

خدمات پر سندھ ریونیو بورڈ اور پنجاب ریونیو اتھارٹی کی جانب سے سندھ سیلز ٹیکس اور پنجاب سیلز ٹیکس عائد کئے جانے کے خلاف سندھ اور لاہور کی اعلیٰ عدالتوں میں کمپنی اور دیگر یہ۔ حیات سے متعلق اداروں کی جانب سے جمع کی گئی پٹیشنز کے معاملے میں مزید کوئی پیش رفت نہیں ہوئی۔

مستقبل پر نظر:

یہ۔ مارکیٹ و ملک میں آنے والے سیلاب سے پیدا ہونے والی آفت اور معاشی صورت حال کے چیلنج کا سامنا ہے۔ البتہ، آپ کی کمپنی، مارکیٹنگ کی نئی حکمت عملی کو آگے بڑھانے، نئے اور تقابلی مصنوعات کے آغاز کیلئے تقابلی ٹیسٹنگ اور ورک کو پھیلانے پر مسلسل توجہ مرکوز کئے ہوئے ہے جو آنے والے وقتوں میں پریہیم کی رقم میں پائیدار لاگت کے ساتھ نشوونما کے حصول میں مدد دے گی۔

کمپنی اپنی افدائش کی جانب متحرک ہے۔ اپنے مستقبل کی مالی منصوبہ بندی کا حصہ بننے کے لئے ہم پر بھروسہ کرنے کے لئے ہم اپنے پالیسی ہولڈرز کے شکر گزار ہیں۔ پورٹ فولیو کی نشوونما اور اس کی تجدید کے ساتھ کمپنی مستقبل قریب میں سود مندی کی راہ پر گامزن ہوگی۔

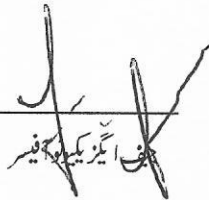
ہم آپ کو انڈسٹری میں کمپنی کو ایک ممتاز مقام تک پہنچنے کے لئے چیلنجنگ اور تقابلی کاروباری ماحول میں میں قابل برداشت، منافع بخش نشوونما پیش کرنے کے لئے اپنی بہترین کوششوں کا یقین دلاتے ہیں۔


اظہار تشکر

ڈائریکٹرز، ہمارے کاروبار کے طے شدہ جات کی بہتری کے لئے کمپنی کی انتظامیہ کی اعانت اور مسلسل رہنمائی کیلئے ریگولیشنز اور ری انشورنگ کا شکر یہ ادا کرنا چاہیں گے۔ بورڈ کمپنی کے پالیسی ہولڈرز اور کارپوریٹ صارفین کا بھی خلوص دل سے شکر یہ ادا کرنا چاہتا ہے جنہوں نے ہمارے ادارے میں اپنا اعتماد اور اعتبار قائم رکھا۔

بورڈ اپنے حصص کنندگان، صارفین، سپلائرز اور ملازمین اور عملے کے ارکان کا ان کی مسلسل اعانت، وابستگی اور خیر خواہی کا بھی شکر یہ ادا کرنا چاہتا ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے


چیف ایگزیکٹو آفیسر


ڈائریکٹر

تاریخ: ۲۵ اکتوبر ۲۰۲۲ء



**Condensed interim financial statements (un-audited)
For the nine months period ended September 30, 2022**

ASKARI LIFE ASSURANCE COMPANY LIMITED

ASKARI LIFE ASSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2022

		September 30, 2022	December 31, 2021
		Un-Audited	Audited
	Note	----- (Rupees in '000) -----	
ASSETS			
Property and equipment	6	16,925	19,367
Right of use assets	7	7,793	14,333
Intangible assets	8	35	340
Investments			
Equity securities	9	7,272	9,188
Government securities	10	899,960	736,706
Mutual funds	12	137,725	82,785
Term deposits receipts	11	-	48,800
Loans secured against life insurance policies		5,939	6,080
Insurance receivables		67,761	54,782
Other loans and receivables		37,810	17,005
Taxation - payments less provision		25,861	20,636
Prepayments		3,206	1,593
Cash and bank	13	149,601	143,773
TOTAL ASSETS		1,359,888	1,155,388
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES ATTRIBUTABLE TO COMPANY'S EQUITY HOLDERS			
Share capital		1,501,720	1,501,720
Money ceded to Waqf Fund		500	500
Retained earnings arising from business other than participating business attributable to the shareholders (Ledger Account D)		(1,457,688)	(1,222,977)
Unrealised gain on available-for-sale financial assets		574	2,283
Accumulated losses		(64,243)	(72,857)
TOTAL EQUITY		(19,137)	208,669
Advance against equity		360,000	100,000
LIABILITIES			
Insurance liabilities	14	807,927	611,315
Retirement benefit obligations		31,327	23,470
Premium received in advance		42,506	44,540
Insurance / reinsurance payables		48,186	60,020
Other creditors and accruals		82,623	89,651
Lease liability against right of use assets		6,456	17,723
TOTAL LIABILITIES		1,019,025	846,719
TOTAL EQUITY AND LIABILITIES		1,359,888	1,155,388
CONTINGENCIES AND COMMITMENTS	15		

The annexed notes from 1 to 31 form an integral part of these financial statements.

Rehan Mobin	Jehanzeb Zafar	Malik Riffat Mahmood	Air Vice Marshal Mohammad Athar Shams (Retd)	Lt Gen Naveed Mukhtar (Retd)
Chief Financial Officer	Chief Executive Officer	Director	Director	Chairman

ASKARI LIFE ASSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Nine months ended		Quarter ended	
	September 30, 2022 (Un-Audited) ------(Rupees in '000)-----	September 30, 2021 (Un-Audited) ------(Rupees in '000)-----	September 30, 2022 (Un-Audited) ------(Rupees in '000)-----	September 30, 2021 (Un-Audited) ------(Rupees in '000)-----
Gross premium / contribution revenue	831,411	547,143	331,598	250,383
Re insurance premium / contribution ceded	(175,480)	(187,013)	(82,639)	(85,575)
Net premium / contribution revenue	655,931	360,130	248,959	164,808
Investment income	79,973	44,825	33,231	13,950
Net realised fair value gains / (losses) on financial assets	562	-	476	-
Net fair value gains / (losses) on financial assets at fair value	(608)	(747)	(217)	(613)
Other income	8,242	4,440	3,049	1,608
	88,169	48,518	36,539	14,945
Total income	744,100	408,648	285,498	179,753
Insurance benefits	376,748	319,226	94,561	100,798
Reinsurance recoveries	(282,733)	(236,114)	(60,565)	(73,723)
Net insurance benefits expense	94,015	83,112	33,996	27,075
Net change in insurance liabilities (other than outstanding claims)	204,305	88,093	85,214	42,702
Acquisition expenses	489,820	231,939	169,004	98,560
Marketing and administration expenses	165,146	134,937	55,943	45,865
Other expenses	16,569	8,642	10,330	4,068
Total expenses	875,840	463,611	320,491	191,195
Loss before tax	(225,755)	(138,075)	(68,989)	(38,517)
Income tax expense	(342)	(304)	(139)	(83)
Loss for the period	(226,097)	(138,379)	(69,128)	(38,600)
Other comprehensive income:				
Unrealised loss on remeasurement of available-for-sale financial assets	(1,709)	(319)	(50)	128
	(1,709)	(319)	(50)	128
Total comprehensive loss for the period	(227,806)	(138,698)	(69,178)	(38,472)
Loss per share - Rupees	(1.51)	(0.92)	(0.46)	(0.26)

The annexed notes from 1 to 31 form an integral part of these financial statements.

Rehan Mobin	Jehanzeb Zafar	Malik Riffat Mahmood	Air Vice Marshal Mohammad Athar Shams (Retd)	Lt Gen Naveed Mukhtar (Retd)
Chief Financial Officer	Chief Executive Officer	Director	Director	Chairman

ASKARI LIFE ASSURANCE COMPANY LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)
Note	----- (Rupees in '000) -----	
Operating Cashflows		
(a) Underwriting activities		
Insurance premium / contribution received	863,239	529,666
Claims paid	(335,863)	(273,814)
Commission paid	(310,826)	(121,400)
Marketing and administrative expenses paid	(362,677)	(232,289)
Net cash used in underwriting activities	(146,127)	(97,837)
(b) Other operating activities		
Income tax paid	(5,567)	(2,954)
Other operating payments	(7,891)	(112)
Gratuity paid	(2,700)	(2,304)
Other operating receipts	4,689	3,190
Net cash flow / (used in) from other operating activities	(11,469)	(2,180)
Total cash used in from all operating activities	(157,596)	(100,017)
Investment activities		
Profit received	63,402	46,141
Dividend received	10,197	2,860
Payment for purchase of investments	(3,359,622)	(2,809,607)
Proceeds from disposal of investments	3,194,912	2,836,566
Addition to property and equipment	(7,010)	(3,422)
Proceeds from sale of property and equipment	1,545	2,494
Total cash flow generated from / (used in) from investing activities	(96,576)	75,032
Financing activities		
Advance received against equity	260,000	-
Total cash generated from financing activities	260,000	-
Net increase in cash and cash equivalents	5,828	(24,985)
Cash and cash equivalents at beginning of period	143,773	86,503
Cash and cash equivalents at end of period	149,601	61,518
13		
Reconciliation to profit and loss account		
Operating cash flows	(157,596)	(100,017)
Depreciation expense on property and equipment	(7,926)	(8,966)
Amortisation expense on intangible assets	(304)	(742)
Depreciation on right of use asset	(6,540)	(9,517)
Profit on disposal of property and equipment	19	1,019
Net realised fair value gains/(losses) on financial assets	562	-
Dividend and other investment income	88,196	47,825
(Decrease) / increase in assets other than cash	78,984	68,438
Decrease / (Increase) in liabilities	(220,884)	(135,672)
Net fair value gain / (losses) on financial assets at fair value	(608)	(747)
Loss after taxation	(226,097)	(138,379)

The annexed notes from 1 to 31 form an integral part of these financial statements.

Rehan Mobin	Jehanzeb Zafar	Malik Riffat Mahmood	Air Vice Marshal Mohammad Athar Shams (Retd)	Lt Gen Naveed Mukhtar (Retd)
Chief Financial Officer	Chief Executive Officer	Director	Director	Chairman

ASKARI LIFE ASSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Share Capital	Revenue reserves Accumulated losses	Retained earnings arising from business other than participating business attributable to the shareholders (Ledger Account D)	Money Ceded to Waqf Fund	Other Reserves Unrealised gain on available-for-sale financial assets	Total Equity
Note	------(Rupees in '000)-----					
Balance as at January 1, 2021	1,501,720	(82,242)	(971,482)	500	2,373	450,869
Total comprehensive loss for the period	-	(138,379)	-	-	-	(138,379)
Change in fair value of available for sale investments	-	-	-	-	(319)	(319)
Deficit for the period in statutory funds	-	147,364	(147,364)	-	-	-
Balance as at September 30, 2021	1,501,720	(73,257)	(1,118,846)	500	2,054	312,171
Balance as at January 1, 2022	1,501,720	(72,857)	(1,222,977)	500	2,283	208,669
Total comprehensive loss for the period	-	(226,097)	-	-	-	(226,097)
Change in fair value of available for sale investments	-	-	-	-	(1,709)	(1,709)
Deficit for the period in statutory funds	-	234,711	(234,711)	-	-	-
Balance as at September 30, 2022	1,501,720	(64,243)	(1,457,688)	500	574	(19,137)

The annexed notes from 1 to 31 form an integral part of these financial statements.

Rehan Mobin	Jehanzeb Zafar	Malik Riffat Mahmood	Air Vice Marshal Mohammad Athar Shams (Retd)	Lt Gen Naveed Mukhtar (Retd)
Chief Financial Officer	Chief Executive Officer	Director	Director	Chairman

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

1. LEGAL, STATUS AND NATURE OF BUSINESS

1.1 Askari Life Assurance Company Limited (the Company) was incorporated in Pakistan on August 18, 1992 as a public limited company under the repealed Companies Ordinance, 1984 (replaced by Companies Act 2017). Its shares are quoted on Pakistan Stock Exchange. The Company commenced life insurance operations on February 22, 1993 after registration with Controller of Insurance on February 14, 1993. The address of its registered and principal office are 8th Floor, Army Welfare Trust, AWT Plaza, The Mall, Rawalpindi and 11th Floor, Emerald Tower, Plot No. G-19, Block 5, KDA Improvement Scheme No.5, Clifton, Karachi respectively. The major shareholding in the Company was taken over by Army Welfare Trust on October 27, 2017. The geographical locations other than stated above are as under:

Karachi Regional Development Centre: Showroom 4-5, Zubaida Garden Ground Floor, Near Awami Markaz, K.M.C.H.S Main Shahrah e Faisal, Karachi

Lahore Regional Development Center: Plot # 524, Block-15, Sector B-1, Quaid-e-Azam Town Scheme, College Road, Lahore.

Islamabad Office: Building # D-110, 6th Road, Near Total Petrol Pump, Satellite Town, Rawalpindi.

Army Welfare Trust as a Holding Company holds 66.65% (2021: 66.65%) shares of the Company.

1.2 The Company is engaged in life insurance and window family takaful business including ordinary life business and accidental and health business.

In accordance with the requirement of Insurance Ordinance, 2000, the Company has established a Shareholder Fund and separate Statutory Funds in respect of each class of its life insurance business. The Statutory Funds established by the Company, in accordance with the advice of Appointed Actuary are as follow:

- Ordinary Life
- Universal Life
- Accidental and Health

Company's Board of Directors in its meeting held on October 24, 2018 approved the contribution of seed money of Rs. 50 million from share holder's fund for the commencement of operation. The Window Takaful Operation is also approved by SECP and Company has also established Individual Family Takaful and Group Family Takaful Funds.

Further, the company has sufficient assets in excess of the solvency margin required to be maintained under the Insurance Ordinance, 2000 and will be able to discharge its liabilities in the normal course of business.

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

2 BASIS FOR PRESENTATION AND STATEMENT OF COMPLIANCE

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Act 2017 and Insurance Accounting Regulations, 2017 provisions of and directives issued under the Companies Act 2017, the Insurance Ordinance, 2000 and Insurance Rules, 2017, and the Takaful Rules, 2012. In case requirements differ, the provisions or directives of the Companies Act 2017, Insurance Ordinance, 2000, Insurance Accounting Regulations 2017 and Insurance Rules, 2017 and Takaful Rules, 2012 shall prevail.

2.2 Accounting Standards, IFRIC Interpretations and Amendments which became effective during the period

There are certain adoptions, amendments and interpretations with respect to the approved accounting standards that are not yet effective and are not expected to have any material impact on the Company's condensed interim financial statements in the period of initial application.

3 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for valuation of certain investments at their market value.

4 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Pakistan Rupees (rounded upto thousand) which is the Company's functional and presentation currency.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these condensed financial statements are in the line with the audited annual accounts for the year ended December 31, 2021.

ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

6 PROPERTY AND EQUIPMENT

	September 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
	-----Rupees in '000-----	
Property and equipments	16,925	19,367
	<u>16,925</u>	<u>19,367</u>

	September 30, 2022 (Un-Audited)		September 30, 2021 (Un-Audited)	
	Addition	Deletion	Addition	Deletion
	-----Rupees in '000-----			
Office equipment	701	-	-	-
Furniture and fixtures	2,095			
Computer and accessories	2,715	926	439	421
Vehicles	1,499	1,499	2,246	2,246
	<u>7,010</u>	<u>2,425</u>	<u>2,685</u>	<u>2,667</u>

7 RIGHT TO USE OF ASSETS

	September 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
	-----Rupees in '000-----	
Right of use assets	7,793	14,333
	<u>7,793</u>	<u>14,333</u>

	September 30, 2022 (Un-Audited)		September 30, 2021 (Un-Audited)	
	Addition / Adjusment	Deletion	Addition / Adjusment	Deletion
	-----Rupees in '000-----			
Right to use of assets	-	5,862	-	10,588
	<u>-</u>	<u>5,862</u>	<u>-</u>	<u>10,588</u>

8 INTENGIBLE ASSETS

	September 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
	-----Rupees in '000-----	
Intangible assets	35	340
	<u>35</u>	<u>340</u>

	September 30, 2022 (Un-Audited)		September 30, 2021 (Un-Audited)	
	Addition	Deletion	Addition	Deletion
	-----Rupees in '000-----			
Intangible assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

9 INVESTMENTS IN EQUITY SECURITIES

	September 30, 2022 (Un-Audited)				December 31, 2021 (Audited)			
	Cost	Unrealised Gain	Impairment	Fair Value	Cost	Unrealised Gain / (Loss)	Impairment	Fair Value
----- Rupees in '000 -----								
AVAILABLE FOR SALE								
Related party								
Listed Shares								
East West Insurance Company Limited	281	323	-	604	281	302	-	583
Others								
Listed Shares								
Kohat Cement Company Limited	340	76	-	416	340	150	-	490
D. G. Khan Cement Company Limited	512	-	(330)	182	512	-	(263)	249
Habib Bank Limited	1,351	-	(863)	488	1,351	-	(535)	816
Ghandhara Industries Limited	1,633	-	(1,048)	585	1,633	-	(926)	707
Millat Tractor Limited	744	262	-	1,006	744	-	(12)	732
Bifo Industries Limited	350	-	(219)	131	350	-	(179)	171
Descon Oxychem Limited	101	21	-	122	101	32	-	133
Packages Limited	2,221	(589)	-	1,632	2,221	(232)	-	1,989
Al-Shaheer Corporation	78	-	(50)	28	78	-	(44)	34
Friesland Campina Engro Pakistan Limited	323	-	(126)	197	323	-	(69)	254
Ferozsons Laboratories Limited	1,958	(158)	-	1,800	1,958	975	-	2,933
AGP Limited	103	(22)	-	81	103	(6)	-	97
	9,995	(87)	(2,636)	7,272	9,995	1,221	(2,028)	9,188

9.1 Movement in accumulated impairment losses on available for sale investments.

	September 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
Opening balance	(2,028)	(3,320)
(Provision) / reversal for the period	(608)	2,148
Closing balance	(2,636)	(2,028)

-----Rupees in '000-----

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

10 INVESTMENTS IN GOVERNMENT SECURITIES

	September 30, 2022 (Un-Audited)				December 31, 2021 (Audited)			
	Maturity Year	Effective Yield (%)	Face Value	Principal Repayment	Carrying Value	Effective Yield (%)	Face Value	Carrying Value
----- Rupees in '000 -----								
HELD TO MATURITY								
10 year Pakistan Investment Bonds	19-Jul-22	12.63%	-	on Maturity	-	12.63%	10,465	10,465
10 year Pakistan Investment Bonds	19-Jul-22	12.52%	-	on Maturity	-	12.52%	8,178	8,178
10 year Pakistan Investment Bonds	21-Apr-26	9.19%	9,866	on Maturity	9,866	9.19%	9,844	9,844
10 year Pakistan Investment Bonds	21-Apr-26	8.07%	22,971	on Maturity	22,971	8.07%	23,054	23,054
10 year Pakistan Investment Bonds	21-Feb-29	11.21%	39,359	on Maturity	39,359	11.21%	39,371	39,371
10 year Pakistan Investment Bonds	09-Dec-30	7.81%	40,469	on Maturity	40,469	7.81%	40,356	40,356
12 Months Treasury Bills	12-Jan-23	11.48%	16,500	on Maturity	15,977	-	-	-
12 Months Treasury Bills	18-May-23	14.75%	21,500	on Maturity	19,672	-	-	-
03 Months Treasury Bills	24-Feb-22	7.21%	-	on Maturity	-	7.21%	345,328	345,328
03 Months Treasury Bills	03-Nov-22	15.70%	157,210	on Maturity	154,945	-	-	-
03 Months Treasury Bills	15-Dec-22	15.97%	135,010	on Maturity	130,664	-	-	-
03 Months Treasury Bills	15-Dec-22	15.40%	61,920	on Maturity	59,996	-	-	-
03 Months Treasury Bills	01-Dec-22	15.85%	34,115	on Maturity	33,221	-	-	-
06 Months Treasury Bills	10-Feb-22	7.48%	-	on Maturity	-	7.48%	53,168	53,169
06 Months Treasury Bills	24-Feb-22	7.49%	-	on Maturity	-	7.49%	75,727	75,727
06 Months Treasury Bills	16-Jan-22	11.25%	-	on Maturity	-	11.25%	100,031	100,031
06 Months Treasury Bills	09-Feb-23	10.63%	65,105	on Maturity	61,232	-	-	-
06 Months Treasury Bills	09-Feb-23	10.84%	60,875	on Maturity	57,586	-	-	-
12 Months Treasury Bills	15-Dec-22	11.44%	5,520	on Maturity	5,391	11.44%	4,976	4,976
5 Years GOP Sukuks	09-Dec-25	14.85%	26,200	on Maturity	26,204	7.07%	26,207	26,207
5 Years GOP Sukuks	09-Dec-25	14.85%	50,000	on Maturity	50,175	-	-	-
5 Years GOP Sukuks	09-Dec-25	14.30%	31,500	on Maturity	31,789	-	-	-
5 Years GOP Sukuks	09-Dec-25	14.85%	48,000	on Maturity	48,168	-	-	-
5 Years GOP Sukuks	09-Dec-25	14.70%	24,750	on Maturity	24,832	-	-	-
5 Years GOP Sukuks	09-Dec-25	14.67%	16,150	on Maturity	16,212	-	-	-
5 Years GOP Sukuks	09-Dec-25	14.67%	24,650	on Maturity	24,745	-	-	-
5 Years GOP Sukuks	09-Dec-25	14.66%	11,700	on Maturity	11,748	-	-	-
5 Years GOP Sukuks	29-Jul-25	15.03%	14,600	on Maturity	14,738	-	-	-
					899,960		736,706	

11 INVESTMENT IN TERM DEPOSIT RECEIPTS

	September 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
	-Rupees in '000-	
Deposits maturing within 12 months	-	48,800

12 INVESTMENTS IN MUTUAL FUNDS

	September 30, 2022 (Un-Audited)			December 31, 2021 (Audited)		
	Cost	Unrealised gain	Carrying Value	Cost	Unrealised gain	Carrying Value
	----- Rupees in '000 -----					
AVAILABLE FOR SALE						
NBP islamic money market fund	129	4	133	120	4	124
NBP income opportunity fund	-	-	-	12,214	629	12,843
Alhamra islamic money market fund	19,526	-	19,526	11,304	-	11,304
ABL islamic cash fund	19,989	8	19,997	11,249	-	11,249
Alfalah islamic rozana amdani fund	17,272	-	17,272	11,096	-	11,096
Faysal halal amdani fund	11,634	465	12,099	9,821	385	10,206
NBP islamic daily dividend fund	12,142	-	12,142	11,199	1	11,200
AL-Ameen Islamic Cash Fund	-	-	-	5,737	43	5,780
Meezan Rozana Amdani Fund	7,044	-	7,044	4,576	-	4,576
Meezan Daily Income Fund	9,453	-	9,453	2,156	-	2,156
Faysal Islamic Cash Fund	17,392	-	17,392	2,251	-	2,251
HBL Islamic Income fund	8,869	-	8,869	-	-	-
NBP Financial Sector Income Fund	13,614	184	13,798	-	-	-
	137,064	661	137,725	81,723	1,062	82,785

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

13 CASH AND BANK	September 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
	----- Rupees in '000 -----	
Cash and Stamps	2,011	585
Cash at bank		
- current account	39,608	72,773
- saving account	107,982	70,415
Cash and cash equivalents	149,601	143,773
14 INSURANCE LIABILITIES		
Reported outstanding claims (including claims in payment)	126,796	134,487
Incurring but not reported claims (IBNR)	4,404	6,588
Investment component of account value policies / certificates	628,698	419,895
Liabilities under individual conventional insurance /takaful contracts	1,838	2,274
Liabilities under group insurance / group family takaful contracts (other than investment linked)	36,466	14,499
Other insurance / family takaful liabilities	9,725	33,572
	681,131	476,828
	807,927	611,315
14.1 Reported outstanding claims		
Gross of Reinsurance / Re takaful		
Payable within one year	312,579	275,957
Payable over a period of time exceeding one year	20,892	16,630
	333,471	292,587
Recoverable from Reinsurance / Re takaful		
Receivable within one year	(187,402)	(142,819)
Receivable over a period of time exceeding one year	(19,273)	(15,281)
	(206,675)	(158,100)
Net reported outstanding claims	126,796	134,487
	September 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
	----- Rupees in '000 -----	
14.2 Incurred but not reported claims		
Gross of reinsurance	17,757	23,563
Reinsurance recoveries	(13,353)	(16,975)
Net of reinsurance	4,404	6,588
14.3 Investment component of universal life and account value policies / certificates		
Investment component of account value policies	628,698	419,895
14.4 Liabilities under individual conventional insurance / takaful contracts		
Gross of reinsurance	1,845	2,287
Reinsurance credit	(7)	(13)
Net of reinsurance	1,838	2,274
14.5 Liabilities under Group Insurance / Group Family Takaful Contracts (other than Investment linked)		
Gross of reinsurance	92,072	94,022
Reinsurance credit	(55,606)	(79,523)
Net of reinsurance	36,466	14,499
14.6 Other insurance liabilities		
Gross of reinsurance	19,359	43,736
Reinsurance recoveries	(9,634)	(10,164)
	9,725	33,572

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

- 15.1.1** There is pending adjudication bearing No 125/2012 before the Session Court, South, Karachi in respect of a employee who was previously working on contract basis at company's Hyderabad branch and committed fraud. As the Company is taken over by AWT (the buyer) it was agreed with the previous management (the seller) that if any stage the Company or any of its director(s) become party and as such any liability is imposed by any Court on the Company or its Director(s) in this regard, the accrued liability would be paid by the sellers to the Company for onward payment to the affectees at earliest. The Company will accordingly ensure timely and fair payment of liability.

That to guarantee the covenants made by the seller above and to fully indemnify the Buyer against any liability/loss the Sellers have furnished in favour of the buyer an irrevocable and unconditional Insurance Guarantee from a AA+ rated insurance company, East West Insurance Company Limited bearing number EWL/HO/PB-009/01/2017 to an amount of PKR 118.467 million. Further to this effect a duly executed and notarized undertaking dated 13-01-2017 has also been furnished by the Sellers to the Federal Insurance Ombudsman.

- 15.1.2** Pakistan Steel Mill had filed instant suit against the Company in respect of the claims of their employees amounting to Rs. 4 million. The claim had been repudiated by the previous management on the grounds of delayed intimation. The Company is contesting the case in and is at the stage of appointment of commissioner. In view of Company's legal consultant, the Company has a prima facie case and unfavourable outcome is not expected.

- 15.1.3** During the year 2019, Sindh Revenue Board (SRB) vide notification No. SRB 3-4/5/2019 dated May 8, 2019 extended the exemption on life insurance till June 30, 2019. With effect from July 1, 2019, life insurance has been made taxable at the rate of 3% on individual life and group life insurance at the rate of 13%. Further, the Punjab Revenue Authority (PRA) also withdrew the exemption on life insurance and made the same subject to Punjab Sales Tax (PST). The Company collectively through the forum of Insurance Association of Pakistan (IAP) had filed a writ / constitutional petition in the Lahore High Court (LHC) and in the High Court of Sindh (HCS) on September 28, 2019 and November 28, 2019 against PRA and SRB respectively.

According to the opinion provided by the legal advisor, the insurance premium does not fall under definition of service rather an insurance policy is a financial arrangement, which is in the nature of contingent contract and not a service upon which sales tax can be levied (and that an insurance company is not rendering a service). The petitions filed in the Punjab and Sindh High Courts also includes the same grounds. It is also the opinion of life insurance companies that a vast majority of premium received from a policy holder, during the life of the policy, is in fact accounted for in the policyholders' investment which cannot be termed as service.

In view of the above the Company has not started invoicing sales tax to it's customers. The amount of sales tax involved is around Rs. 105.7 million computed on the basis of risk based premium, as per the advice of the legal advisor. Moreover, based on legal view, sales tax cannot be levied as insurance is not a service.

Further, subsequent to filling petition, the matters relating to sales tax on life insurance premium were also discussed in the meeting of all the provincial tax authorities i.e. SRB, PRA, BRA and representatives of life insurance industry, where it was agreed to form a joint committee of the insurance representatives to resolve these matters. Based on the above legal opinion and ongoing discussions, the Company considers it has a reasonable strong case on the merit in the constitutional petition and the writ petition filed in the Honourable High Courts.

- 15.1.4** During the year 2019, SECP has conducted the anti-money laundering audit, as a result of which SECP imposed a penalty of Rs. 400,000, vide order No. ID/Enf/EWLA/2017-297 dated March 24, 2020 for the non compliance made by the company. The company has filed an appeal against the said order before the Appellate bench of SECP. The company and its legal advisor is confident that any unfavourable outcome is not expected.

- 15.1.5** Before acquisition of the East and West Life Assurance Company (the "EWLA") by Army Welfare Trust (AWT), SECP had imposed penalty of Rs.120,000/- and Rs. 200,000/- on the EWLA vide order No: EMD/Enf/EWLA/2016/4299 and order No: ID/Enf/EWLA/2017/8348 respectively. The appeals on the said orders were filed before the Appellate bench of SECP by EWLA.

The Appellate Bench of the Securities & Exchange Commission of Pakistan disposed of Appeal No. 37 of 2016 on November 16, 2021 through Order dated November 16, 2021. The said order set aside the impugned order to the extent of penalty imposed on Chairman, CEO, and Directors of the Company. whereas, Impugned Order was upheld and the appeal was dismissed to the fine imposed on the Company. The other appeal against is pending and the outcome is awaited.

- 15.1.6** There is a case filed by the Nobel Hospital against the EWLA in learned court, Lahore for the recovery of health insurance bill amounting to Rs. 1.6 million (approx.). After the acquisition, the Company is in coordination with the relevant parties for the possible resolution of the case.

- 15.1.7** There is outstanding petition filed by the Punjab Employees Social Security Institution (PESSI) against EWLA in Insurance Tribunal, Lahore for the recovery of the group claims of their employees amounting to Rs.11.8 million (approx.).After the acquisition, the Company is in co-ordination with the relevant parties for the possible resolution of the case.

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

15.2 Commitments

Operating leases

	September 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
	----- Rupees in '000 -----	
Not later than one year	5,737	4,768
Later than one year and not later than five years	12,943	6,863
	<u>18,680</u>	<u>11,631</u>

16 NET INSURANCE PREMIUM / CONTRIBUTION REVENUE	Nine months ended		Quarter ended	
	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)
	----- Rupees in '000 -----		----- Rupees in '000 -----	
Gross Premiums / Contributions revenue				
Regular Premium / Contributions Individual Policies*				
First year	384,584	173,518	122,748	68,396
Second year renewal	95,184	39,936	30,348	13,539
Subsequent year renewal	50,078	23,713	21,381	11,794
Single premium / Contribution individual policies	45,817	36,279	18,580	7,301
Group policies without cash value	255,748	273,697	138,541	149,353
Total Gross Premiums / Contribution	<u>831,411</u>	<u>547,143</u>	<u>331,598</u>	<u>250,383</u>
Less: Reinsurance Premium / Contribution Ceded				
On individual life first year business	1,369	4,518	298	1,189
On individual life second year business	212	1,208	80	399
On individual life renewal business	414	940	246	581
On group policies	173,493	180,362	82,018	83,412
Less : Reinsurance commission on risk premium	(8)	(15)	(3)	(6)
Total Reinsurance Premium / Contribution Ceded	<u>175,480</u>	<u>187,013</u>	<u>82,639</u>	<u>85,575</u>
Net Premium / Contribution Revenue	<u>655,931</u>	<u>360,130</u>	<u>248,959</u>	<u>164,808</u>

*Individual policies are those underwritten on an individual basis, and include joint life policies underwritten as such.

17 INVESTMENT INCOME

Income from equity securities

Available for Sale

Dividend income	10,197	2,860	3,360	928
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Income from debt securities

Held to Maturity

Return on government securities	69,776	41,965	29,871	13,022
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	<u>79,973</u>	<u>44,825</u>	<u>33,231</u>	<u>13,950</u>
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18 NET REALISED FAIR VALUE GAINS / (LOSSES)
ON FINANCIAL ASSETS

Available for sale

Realised gains/(losses) on:

Mutual funds	562	-	476	-
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Total	<u>562</u>	<u>-</u>	<u>476</u>	<u>-</u>
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19 NET FAIR VALUE GAINS/ LOSSES ON FINANCIAL ASSETS AT
FAIR VALUE

Reversal/(impairment) in value of available for sale investments	<u>(608)</u>	<u>(747)</u>	<u>(217)</u>	<u>(613)</u>
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20 OTHER INCOME

Return on bank balances	6,574	2,772	2,996	1,033
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Return on term deposits	1,532	421	-	347
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Gain on sale of property and equipment	19	1,019	19	-
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Miscellaneous	117	228	34	228
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	<u>8,242</u>	<u>4,440</u>	<u>3,049</u>	<u>1,608</u>
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ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

21	NET INSURANCE BENEFITS	Nine months ended		Quarter ended	
		September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)
		----- Rupees in '000 -----		----- Rupees in '000 -----	
	Gross Claims				
	Claims under individual policies				
	by death	15,219	8,741	7,794	6,331
	by insured event other than death	35	200	35	(20)
	by maturity	8,208	11,247	1,689	2,788
	by surrender	34,728	21,448	8,125	7,950
	Total gross individual policy claims	58,190	41,636	17,643	17,049
	Claims under group policies				
	by death	307,837	274,652	73,593	84,311
	by insured event other than death	10,721	2,938	3,325	(562)
	Total gross group policy claims	318,558	277,590	76,918	83,749
	Total gross claims	376,748	319,226	94,561	100,798
	Less: Reinsurance recoveries				
	On Individual life claims	(6,458)	(1,269)	(2,609)	(1,094)
	On Group life claims	(276,275)	(234,845)	(57,956)	(72,629)
	Total reinsurance recoveries	(282,733)	(236,114)	(60,565)	(73,723)
	Net insurance benefit expense	94,015	83,112	33,996	27,075
22	ACQUISITION EXPENSES				
	Remuneration to insurance intermediaries on individual policies:				
	Commission to agent on first year premiums	254,407	98,839	81,404	41,985
	Commission to agent on second year premiums	7,947	3,583	2,690	1,173
	Commission to agent on subsequent renewal premiums	1,429	626	596	324
		263,783	103,048	84,690	43,482
	Remuneration to insurance intermediaries on group policies:				
	Commission	31,158	31,716	14,624	20,171
	Other acquisition costs				
	Employee benefit cost	137,947	62,934	52,078	23,204
	Depreciation on right of use assets	163	3,601	2	1,030
	Advertisements and sales promotion	21,200	10,132	4,243	3,129
	Vehicle running expenses	5,343	4,017	1,905	1,279
	Depreciation on property and equipment	2,550	3,016	908	975
	Repair and maintenance	2,745	2,364	1,335	1,155
	Travel and conveyance	4,757	1,216	796	545
	Finance charges on lease liability against right of use asset	-	282	-	36
	Electricity, gas and water	2,075	1,432	1,003	701
	Ijara rental	1,825	1,571	622	586
	Postage, telegrams and telephone	2,061	1,938	732	727
	Entertainment	1,467	1,000	810	374
	Policy stamps	4,475	1,376	1,468	277
	Rent, rates and taxes	6,991	965	2,990	225
	Printing and stationery	1,268	975	795	493
	Insurance	-	310	-	160
	Bank charges	12	46	3	11
		194,879	97,175	69,690	34,907
		489,820	231,939	169,004	98,560

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

	Note	Nine months ended		Quarter ended	
		September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)
----- Rupees in '000 -----					
23	MARKETING AND ADMINISTRATION EXPENSES				
	Employee benefit cost	104,921	84,212	35,493	29,830
	Advertisements and sales promotion	3,696	3,395	1,211	287
	Depreciation on right of use assets	6,377	5,916	2,127	2,172
	Vehicle running expenses	9,200	4,459	4,221	1,600
	Travel and conveyance	2,943	1,232	1,793	266
	Repair and maintenance	10,806	10,660	2,971	3,458
	Depreciation on property and equipment	5,376	5,950	1,659	1,955
	Postage, telegrams and telephone	4,217	3,589	1,270	1,166
	Printing and stationery	5,714	3,764	1,220	1,218
	Finance charges on lease liability against right of use asset	978	1,643	265	229
	Entertainment	1,453	991	616	485
	Ijara Rental	1,441	2,075	225	590
	Rent, rates and taxes	395	198	304	126
	Electricity, gas and water	1,876	1,451	757	619
	Insurance	3,045	2,569	1,104	750
	Fees, subscription and periodicals	355	273	117	149
	Miscellaneous	853	1,069	430	608
	Amortisation of intangible assets	304	742	84	246
	Bank charges	478	265	76	111
	Annual supervision fee SECP	718	484	-	-
		<u>165,146</u>	<u>134,937</u>	<u>55,943</u>	<u>45,865</u>
24	OTHER EXPENSES				
	Legal and professional charges	10,839	2,821	8,564	2,241
	Appointed actuary fees	3,051	3,050	1,017	1,016
	Auditors' remuneration	559	652	29	132
	Shariah Advisor Fee	1,575	1,575	525	525
	Director fee	545	544	195	154
		<u>16,569</u>	<u>8,642</u>	<u>10,330</u>	<u>4,068</u>

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

25 SEGMENTAL INFORMATION

25.1 Revenue Account by Statutory Fund

For the nine months period ended September 30, 2022

	Statutory funds					Total
	Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful	Group Family Takaful	
	----- Rs in '000' -----					
Income						
Premium / Contributions less reinsurances	59,049	144,442	-	428,886	23,554	655,931
Net investment income	6,559	40,121	781	15,863	2,587	65,911
Total net income	65,608	184,563	781	444,749	26,141	721,842
Insurance benefits and expenditure						
Insurance benefits including bonuses, net of reinsurance recoveries	34,529	36,591	-	14,651	8,244	94,015
Management expenses less recoveries	66,633	153,949	-	413,849	23,802	658,233
Total insurance benefits and expenditure	101,162	190,540	-	428,500	32,046	752,248
(Deficit)/ surplus of income over claims and expenditure	(35,554)	(5,977)	781	16,249	(5,905)	(30,406)
Add: Policyholders' liabilities at beginning of the period	22,953	348,734	-	103,317	1,823	476,827
Less: Policyholders' liabilities at end of the period	35,058	422,947	-	215,253	7,874	681,132
(Deficit)/surplus	(47,659)	(80,190)	781	(95,687)	(11,956)	(234,711)
Movement in policyholders' liabilities	12,105	74,213	-	111,936	6,051	204,305
Transfers from shareholders' fund						
- Capital contributions from shareholders' fund	92,500	81,500	-	111,000	7,000	292,000
Balance of statutory fund at beginning of the period	39,015	349,058	6,842	104,100	9,594	508,609
Balance of statutory fund at end of the period	95,961	424,581	7,623	231,349	10,689	770,203

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

For the three months period ended September 30, 2021	Statutory funds					Total
	Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful Contracts	Group Family Takaful	
	----- Rs in '000' -----					
Income						
Premium / Contribution reinsurances	89,050	149,737	-	116,813	4,530	360,130
Net investment income	4,797	20,858	446	1,596	319	28,016
Total net income	93,847	170,595	446	118,409	4,849	388,146
Claims and expenditure						
Claims, including bonuses, net of reinsurance recoveries	42,607	37,490	-	1,937	1,078	83,112
Management expenses less recoveries	105,368	136,726	-	114,184	8,027	364,305
Total claims and expenditure	147,975	174,216	-	116,121	9,105	447,417
(Deficit)/surplus of income over claims and expenditure	(54,128)	(3,621)	446	2,288	(4,256)	(59,271)
Add: Policyholders' liabilities at beginning of the period	9,310	287,432	-	15,842	730	313,314
Less: Policyholders' liabilities at end of the period	23,533	312,482	-	63,801	1,591	401,407
(Deficit) / Surplus	(68,351)	(28,671)	446	(45,671)	(5,117)	(147,364)
Movement in policyholders' liabilities	14,223	25,050	-	47,959	861	88,093
Transfers from shareholders' fund						
- Capital contributions from shareholders' fund	77,000	25,000	-	51,000	5,000	158,000
Balance of statutory fund at beginning of the period	19,331	291,662	6,227	16,363	1,508	335,091
Balance of statutory fund at end of the period	42,203	313,041	6,673	69,651	2,252	433,820

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

26 Segment Statement of financial position

Shareholders' fund	Statutory funds					September 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful	Group Family Takaful	Total	Total
-----Rs in '000-----							
Property and equipment	16,925	-	-	-	-	16,925	19,367
Right of use assets	7,793	-	-	-	-	7,793	14,333
Intangible assets	35	-	-	-	-	35	340
Investments	239,304	70,192	477,835	6,936	233,503	17,187	1,044,957
Term deposit receipts	-	-	-	-	-	-	48,800
Loans secured against life insurance policies	-	1,487	4,452	-	-	-	5,939
Insurance receivables	-	66,638	-	376	-	747	67,761
Other loans and receivables	26,886	1,451	-	1,195	6,818	1,460	37,810
Taxation - payments less provision	25,861	-	-	-	-	-	25,861
Prepayments	3,206	-	-	-	-	-	3,206
Cash & Bank	5,955	25,665	32,112	2,876	49,525	33,468	149,601
Total assets	325,965	165,433	514,399	11,383	289,846	52,862	1,359,888
Insurance liabilities net of reinsurance recoveries	-	88,866	483,489	3,599	220,142	11,831	807,927
Retirement benefit obligations	31,327	-	-	-	-	-	31,327
Premium received in advance	-	7,573	12,856	-	22,077	-	42,506
Insurance / reinsurance payables	-	(3,687)	10,714	161	5,022	35,976	48,186
Lease liability against right of use assets	6,456	-	-	-	-	-	6,456
Other creditors and accruals	36,380	11,778	5,714	-	26,512	2,239	82,623
Total Liabilities	74,163	104,530	512,773	3,760	273,753	50,046	1,019,025

ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

27 WINDOW TAKAFUL OPERATIONS

The statement of financial position of Window Takaful Operations as at September 30, 2022 and its financial performance for the period ended September 30, 2022 is as follows

27.1 Statement of Financial Position
 As at September 30, 2022

Operator's Sub Fund	Statutory funds		Aggregate	Aggregate
	Individual Family Takaful	Group Family Takaful	September 30, 2022 (Un-audited)	December 31, 2021 (Audited)
-----Rupees in '000-----				
Share capital and reserves				
Funds received from Shareholders' Fund	-	-	-	-
Capital returned to Shareholders' Fund	-	-	-	-
Accumulated Surplus / (Deficit)	1,453	-	1,453	12,150
Qard-e-Hasna contributed by the Window Takaful Operator	-	-	-	-
Net shareholders' equity	1,453	-	1,453	12,150
Balance of statutory fund (including Technical reserves Rs. 223.127 million (December 31, 2021: Rs.105.140 million))				
	-	230,390	10,192	240,582
Deferred liabilities				
Staff retirement benefits	-	-	-	-
Creditors and accruals				
Outstanding claims	-	4,890	3,957	3,305
Contributions received in advance	-	22,077	-	24,503
Amount due to takaful / re-takaful operators	-	5,022	35,976	18,488
Amounts due to agents	24,555	-	-	39,591
Accrued expenses	-	-	-	-
Other creditors and accruals	4,196	-	-	3,058
	28,751	31,989	39,933	88,945
Total liabilities	28,751	262,379	50,125	190,488
Commitments	-	-	-	-
Total equity and liabilities	30,204	262,379	50,125	202,638

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

Operator's Sub Fund	Statutory funds		Aggregate	Aggregate
	Individual Family Takaful	Group Family Takaful	September 30, 2022 (Un-audited)	December 31, 2021 (Audited)
-----Rupees in '000-----				
Cash and bank deposits				
Cash and others	1,735	-	1,735	546
Current and other accounts	20,295	23,688	81,258	94,212
Deposits maturing within 12 months	-	-	-	48,800
	<u>22,030</u>	<u>23,688</u>	<u>82,993</u>	<u>143,558</u>
Unsecured loans to employees	-	-	-	-
Investments				
Government securities	7,874	136,914	148,683	6,846
Listed securities	-	-	-	-
Open end mutual funds	-	95,259	102,007	52,019
Provision for diminution in value	-	-	-	-
	<u>7,874</u>	<u>232,173</u>	<u>250,690</u>	<u>58,865</u>
Current assets - others				
Contributions due but unpaid	-	-	747	26
Amount due from takaful / re-takaful operators	-	-	-	-
Sundry receivables	-	-	-	-
Investment income accrued	-	6,518	7,978	189
Advances and deposits	300	-	300	-
Prepayments	-	-	-	-
Taxation - payments less provision	-	-	-	-
Inter fund balance	-	-	-	-
	<u>300</u>	<u>6,518</u>	<u>9,025</u>	<u>215</u>
Fixed assets				
Tangible assets				
Furniture & fixture, office equipments	-	-	-	-
Motor vehicles	-	-	-	-
Right of use	-	-	-	-
Computer equipments	-	-	-	-
Intangible assets				
Softwares	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u><u>30,204</u></u>	<u><u>262,379</u></u>	<u><u>342,708</u></u>	<u><u>202,638</u></u>

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

27.2 Revenue Account

For the nine months period ended September 30, 2022

Statutory Funds		Nine months ended ---Aggregate---		Quarter ended ---Aggregate---	
Universal Life Family Takaful	Group Family Takaful	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)

-----Rupees in '000-----

27.2.1 Participants' Investment Fund (PIF)

Income

Allocated contribution	145,082	-	145,082	51,150	53,883	20,430
Investment income	14,359	-	14,359	1,406	6,937	745
Total net income	159,441	-	159,441	52,556	60,820	21,175

Less: Claims and Expenditure

Claims	11,711	-	11,711	344	2,532	296
Takaful operator fee	20,192	-	20,192	3,353	8,142	1,574
	31,903	-	31,903	3,697	10,674	1,870

Excess of Income over Claims and expenditure

127,538 - 127,538 48,859 50,146 19,305

Add : Technical reserves at the beginning of the period

97,930 - 97,930 15,105 172,630 44,646

Less : Technical reserves at the end of the period

210,831 - 210,831 63,380 210,831 63,380

Income retained in PIF

14,637 - 14,637 584 11,945 571

Movement in technical reserves

(127,538) - (127,538) (48,859) (50,146) (19,305)

Surplus before distribution

Movement in technical reserves 127,538 - 127,538 48,859 50,146 19,305

Transfers from

Qard-e-Hasna contributed by Window Takaful Operator - - - - - -

Money ceded to Waqf

- - - - - -

Balance of PIF at the beginning of the period

97,969 - 97,969 15,107 175,361 44,661

Balance of PIF at the end of the period

225,507 - 225,507 63,966 225,507 63,966

ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

27.3 Revenue Account

For the nine months period ended September 30, 2022

Statutory Funds		Nine months ended		Quarter ended	
		Aggregate	Aggregate	Aggregate	Aggregate
Individual Family Takaful	Group Family Takaful	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)

-----Rupees in '000-----

27.3.1 Participants' Takaful Fund (PTF)

Income

Contribution net of retakaful	283,804	23,554	307,358	70,193	105,659	32,696
Net investment income	416	2,213	2,629	319	1,365	162
Other income	-	-	-	-	-	-
	284,220	25,767	309,987	70,512	107,024	32,858

Less: Claims and Expenditure

Claims	2,940	8,244	11,184	2,671	5,647	1,757
Takaful operator fee	274,427	12,875	287,302	67,865	97,222	31,118
	277,367	21,119	298,486	70,536	102,869	32,875

Excess / (Deficit) of Income over Claims and expenditure	6,853	4,648	11,501	(24)	4,155	(17)
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Add : Technical reserves at the beginning of the period	5,387	1,823	7,210	1,467	11,829	1,314
Less : Technical reserves at the end of the period	4,422	7,874	12,296	2,012	12,296	2,012
Deficit retained in PTF	7,818	(1,403)	6,415	(569)	3,688	(302)

Movement in technical reserves	(6,853)	(4,648)	(11,501)	24	(4,155)	(396)
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Surplus before distribution

Movement in technical reserves	6,853	4,648	11,501	(24)	4,155	(17)
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Transfers from

Qard-e-Hasna contributed by Window Takaful Operator	-	-	-	-	-	-
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Money ceded to Waqf	-	-	-	-	-	-
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Balance of PTF at the beginning of the period	(1,970)	5,544	3,574	53	10,920	46
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Balance of PTF at the end of the period	4,883	10,192	15,075	29	15,075	29
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ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

27.4 Operators' Sub Fund (OSF)	Nine months ended				Quarter ended	
	Statutory Funds		Aggregate	Aggregate	Aggregate	Aggregate
	Individual Family Takaful	Group Family Takaful	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)
	-----Rupees in '000'-----					
Income						
Allocation fee	7,778	-	7,778	2,705	2,928	1,084
Investment income	1,088	374	1,462	191	592	83
Takaful operator fee	281,067	12,875	293,942	67,704	99,917	31,176
Certificate admin fee	4,018	-	4,018	430	1,768	234
Wakalat-ul-Istismar	1,756	-	1,756	379	751	198
	295,707	13,249	308,956	71,409	105,956	32,775
Less: Expenses						
Acquisition cost	323,139	9,228	332,367	93,593	109,367	41,181
Administration expenses	90,709	14,577	105,286	28,618	34,328	7,439
Total management cost	413,848	23,805	437,653	122,211	143,695	48,620
Excess of (expenditure)/over income	(118,141)	(10,556)	(128,697)	(50,802)	(37,739)	(15,845)
Add : Technical reserves at the beginning of the period						
Less : Technical reserves at the end of the period	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Surplus / (Deficit)						
	(118,141)	(10,556)	(128,697)	(50,802)	(37,739)	(15,845)
Movement in technical reserves						
Capital Contribution during the period	111,000	7,000	118,000	56,000	118,000	22,000
Qard-e-Hasna contributed to the Participants Takaful Fund	-	-	-	-	-	-
Balance of OSF at the beginning of the period	8,099	4,051	12,150	2,712	3,192	1,755
Balance of OSF at the end of the period	958	495	1,453	7,910	83,453	7,910

ASKARI LIFE ASSURANCE COMPANY LIMITED
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27.5 Statement of Contribution

For the nine months period ended September 30, 2022

	Statutory Funds		Nine months ended		Quarter ended	
			Aggregate		Aggregate	
	Individual Family Takaful	Group Family Takaful	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)
-----'Rupees in '000-----						
Gross Contributions						
Regular contributions individual family takaful*						
- First year	343,849	-	343,849	87,527	113,290	41,430
- Second year	39,599	-	39,599	3,845	16,827	3,297
- Subsequent year renewal	1,868	-	1,868	-	1,520	-
Single Contribution individual family takaful	44,555	-	44,555	26,776	18,520	7,551
Group family takaful contribution without cash value	-	69,657	69,657	17,584	31,323	9,385
Total Gross Contributions	429,871	69,657	499,528	135,732	181,480	61,663
Participants' Investment Fund						
Allocated regular contribution	102,695	-	102,695	25,713	36,289	13,257
Allocated single contribution	42,387	-	42,387	25,437	17,594	7,173
	145,082	-	145,082	51,150	53,883	20,430
Less: Retakaful Contribution Ceded						
On individual first year business	758	-	758	1,282	213	506
On individual second year business	148	-	148	53	54	53
On individual renewal business	79	-	79	-	20	-
On group family takaful	-	46,103	46,103	13,054	21,651	7,978
Net Contributions	283,804	23,554	307,358	70,193	105,659	32,696

*Individual family takaful those underwritten on an individual basis, and includes Joint Life Family takaful underwritten as such.

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27.6 Statement of Claims

For the nine months period ended September 30, 2022

	Statutory Funds		Nine months ended		Quarter ended	
	Individual Family Takaful	Group Family Takaful	Aggregate September 30, 2022 (Un-Audited)	Aggregate September 30, 2021 (Un-Audited)	Aggregate September 30, 2022 (Un-Audited)	Aggregate September 30, 2021 (Un-Audited)
-----Rupees in '000-----						
Gross claims						
Claims under individual family takaful						
- by death	6,268	-	6,268	1,943	4,349	1,743
- by covered event other than death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	11,711	-	11,711	344	2,532	296
Total gross individual family takaful claims	17,979	-	17,979	2,287	6,881	2,039
Claims under group family takaful						
- by death	-	36,477	36,477	3,119	13,960	1,119
- by covered event other than death	-	1,744	1,744	239	435	45
Total group family takaful claims	-	38,221	38,221	3,358	14,395	1,164
Total Gross Claims	17,979	38,221	56,200	5,645	21,276	3,203
Participants' Investment Fund (PIF)						
Claims under individual family takaful						
- by death	-	-	-	-	-	-
- by covered event other than death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	11,711	-	11,711	344	2,532	296
Total gross individual family takaful claims	11,711	-	11,711	344	2,532	296
Participants' Takaful Fund (PTF)						
Claims under individual family takaful						
- by death	6,268	-	6,268	1,943	4,349	1,743
- by covered event other than death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	-	-	-	-	-	-
Total gross individual family takaful claims	6,268	-	6,268	1,943	4,349	1,743
- by death	-	36,477	36,477	3,119	13,960	1,119
- by covered event other than death	-	1,744	1,744	239	435	45
Total group family takaful claims	-	38,221	38,221	3,358	14,395	1,164
Less: Retakaful recoveries						
On individual family takaful first year claims	3,328	-	3,328	350	1,909	350
On individual family takaful second year claims	-	-	-	-	-	-
On individual family takaful renewal claims	-	-	-	-	-	-
On group takaful claims	-	29,977	29,977	2,280	11,188	800
Net Claims	14,651	8,244	22,895	3,015	8,179	2,053

ASKARI LIFE ASSURANCE COMPANY LIMITED
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27.7 Statement of Expenses

For the nine months period ended September 30, 2022

Operators' Sub Fund	Statutory funds		Nine months ended		Quarter ended	
			Aggregate	Aggregate	Aggregate	Aggregate
	Individual Family Takaful	Group Family Takaful	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)
-----Rupees in '000-----						
Acquisition costs						
Remuneration to takaful intermediaries on individual family takaful:						
- Commission on first year contributions	234,648	-	234,648	56,970	77,276	28,998
- Commission on second year contributions	4,321	-	4,321	461	1,869	395
- Commission on subsequent renewal contributions	63	-	63	-	51	-
- Other benefits to takaful intermediaries	-	-	-	-	-	-
	239,032	-	239,032	57,431	79,196	29,393
Remuneration to takaful intermediaries on group family takaful:						
- Commission	-	6,726	6,726	3,140	2,404	605
Other acquisition costs:						
Employee benefit cost	58,587	1,632	60,219	21,026	20,867	6,749
Depreciation on right of use assets	84	14	98	689	(5)	689
Advertisements and sales promotion	9,006	67	9,073	3,876	654	1,197
Vehicle running expenses	1,345	260	1,605	1,365	425	427
Depreciation on property and equipment	1,318	214	1,532	663	488	(237)
Repair and maintenance	1,397	6	1,403	904	616	442
Travel and conveyance	1,052	85	1,137	456	322	202
Finance charges on lease liability against right of use asset	-	-	-	108	-	13
Electricity, gas and water	1,073	-	1,073	549	473	268
Ijara rental	714	121	835	601	226	224
Postage, telegrams and telephone	738	32	770	708	264	270
Entertainment	732	5	737	382	384	143
Policy stamps	3,797	65	3,862	811	1,291	450
Rent, rates and taxes	3,615	-	3,615	369	1,376	86
Printing and stationery	643	1	644	369	385	188
Insurance	-	-	-	118	-	60
Fees, subscription and periodicals	-	-	-	-	-	-
Legal and professional charges	-	-	-	-	-	-
Bank charges	6	-	6	28	1	12
Miscellaneous	-	-	-	-	-	-
	84,107	2,502	86,609	33,022	27,767	11,183
Total acquisition cost	323,139	9,228	332,367	93,593	109,367	41,181
Administration expenses						
Employee benefit cost	52,052	8,320	60,372	14,930	18,251	2,793
Advertisements and sales promotion	2,268	367	2,635	695	748	56
Depreciation on right of use assets	2,967	481	3,448	596	1,014	596
Vehicle running expenses	4,574	741	5,315	1,019	2,291	379
Travel and conveyance	1,387	225	1,612	252	937	55
Repair and maintenance	5,037	816	5,853	2,085	1,364	677
Depreciation on property and equipment	2,502	405	2,907	1,724	779	211
Postage, telegrams and telephone	2,281	370	2,651	776	714	278
Printing and stationery	3,610	585	4,195	1,137	682	414
Finance charges on lease liability against right of use asset	455	74	529	326	121	44
Entertainment	677	110	787	195	307	95
Ijara rental	681	110	791	405	71	115
Rent, rates and taxes	220	36	256	110	165	56
Electricity, gas and water	873	141	1,014	284	373	121
Insurance	1,411	229	1,640	474	529	118
Fees, subscription and periodicals	180	29	209	56	59	31
Miscellaneous	438	61	499	207	245	99
Amortisation of intangible assets	142	23	165	144	39	48
Bank charges	322	54	376	89	46	36
Annual supervision fee SECP	334	54	388	94	(24)	-
Legal and professional charges	5,096	826	5,922	552	4,554	438
Appointed actuary fees	1,577	256	1,833	635	539	198
Auditors' remuneration	270	44	314	228	(1)	26
Shariah Advisor Fee	1,355	220	1,575	1,575	525	525
Director fee	-	-	-	30	-	30
	90,709	14,577	105,286	28,618	34,328	7,439
Gross management expenses	413,848	23,805	437,653	122,211	143,695	48,620

ASKARI LIFE ASSURANCE COMPANY LIMITED
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27.8 Statement of Investment Income

For the nine months period ended September 30, 2022

Statutory fund		Nine months ended		Quarter ended	
		Aggregate	Aggregate	Aggregate	Aggregate
Individual Family Takaful	Group Family Takaful	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)	September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)

-----Rupees in '000-----

Participants' Investment Fund (PIF)

On government securities	6,498	-	6,498	339	4,234	117
On other fixed income securities and deposits	1,396	-	1,396	390	109	281
Dividend income	6,247	-	6,247	677	2,462	347
Amortization of discount relative to par	-	-	-	-	-	-
(Loss)/ gain on sale of investments	218	-	218	-	132	-
Unrealised (loss) / gain on investments	-	-	-	-	-	-
Net investment income of PIF	14,359	-	14,359	1,406	6,937	745

a

Participants' Takaful Fund (PTF)

On government securities	294	1,000	1,294	49	1,048	17
On other fixed income securities and deposits	122	575	697	177	104	116
Dividend income	-	638	638	93	213	29
Amortization of discount/(premium)	-	-	-	-	-	-
(Loss)/ gain on sale of investments	-	-	-	-	-	-
Unrealised (loss) / gain on investments	-	-	-	-	-	-
Net investment income of PTF	416	2,213	2,629	319	1,365	162

b

Operators' Sub Fund (OSF)

On government securities	420	241	661	-	290	-
On other fixed income securities and deposits	668	133	801	191	302	83
Dividend income	-	-	-	-	-	-
Amortization of discount/(premium)	-	-	-	-	-	-
(Loss)/ gain on sale of investments	-	-	-	-	-	-
Unrealised (loss) / gain on investments	-	-	-	-	-	-
Net investment income of OSF	1,088	374	1,462	191	592	83

c

Net investment income

(a+b+c)

	15,863	2,587	18,450	1,916	8,894	990
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ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO CONDENSED INTERIM THE FINANCIAL STATEMENTS (UN-AUDITED)
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28 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of holding Company, associated companies, staff retirement fund, Directors and key management personnel. The transactions with related parties are in normal course of business. Transactions with related parties and remuneration and benefits to key management personnel under the terms of their employment are as follows:

		September 30, 2022 (Un-Audited)	September 30, 2021 (Un-Audited)
----- (Rupees in '000) -----			
Relationship	Transactions		
Holding company	Premium revenue	1,207	603
Holding company	Insurance benefits	1,500	600
Holding company	Advance received against equity	260,000	-
Associated undertaking	Premium revenue	27,375	16,906
Associated undertaking	Insurance benefits	39,050	14,502
Associated undertaking	Expenses and acquisition cost	9,042	3,567
Gratuity fund	Expenses and acquisition cost	10,557	8,986
Key Management Personnel	Remuneration	48,046	35,321
Key Management Personnel	Advance less recovery	917	1,200
Directors	Fee	350	544
Related Party	Balances	September 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
Holding Company			
Army Welfare Trust	Due from insurance contract holders	248	241
Army Welfare Trust	Outstanding claims	-	-
Army Welfare Trust	Advance against equity	360,000	100,000
Associated undertakings			
Askari Guards Limited	Due from insurance contract holders	1,613	4,992
Mobil Askari Pakistan Limited	Due from insurance contract holders	20	13
Askari Fuels	Due from insurance contract holders	10	6
Askari Woolen Mills	Due from insurance contract holders	290	39
Askari Development Holding Pvt Limited	Due from insurance contract holders	617	4

AWT Investment	Due from insurance contract holders	36	549
Askari Chartered Aviation Services (ACS)	Due from insurance contract holders	2	2
Fauji Security Services	Due from insurance contract holders	5	1,155
MEDASK	Due from insurance contract holders	40	-
Real Estate	Due from insurance contract holders	-	390
AWT Housing Scheme Karachi	Due from insurance contract holders	2	2
Askari Lagoon - FSD	Due from insurance contract holders	28	4
Army Welfare Sugar Mills	Due from insurance contract holders	8	-
AWT Plaza Staff	Due from insurance contract holders	126	-
Blue Lagoon	Due from insurance contract holders	438	609
Askari General Insurance Company Limited	Due from insurance contract holders	-	55
Askari General Insurance Company Limited	Due to insurance contract holders	668	-
AWT Housing Scheme - Lahore	Due to insurance contract holders	-	1
Army Welfare Sugar Mills	Due to insurance contract holders	-	17
Askari Shoes	Due to insurance contract holders	2	627
Askari Farms & Seeds Products	Due to insurance contract holders	25	7
Askari Housing Scheme Lahore	Due to insurance contract holders	1	-
Askari Guards Limited	Outstanding claims	17,891	3,604
Fauji Security Services	Outstanding claims	4,800	900
Army Welfare Sugar Mills	Outstanding claims	1,250	500
Blue Lagoon	Outstanding claims	600	-
Askari Fuels	Outstanding claims	2,400	8,000
Askari Travel & Tours	Accrued expenses	-	180
Askari General Insurance Company Limited	Accrued expenses	-	2,418
Advance to staff	Chief operating officer	917	-
Gratuity payable to staff	Staff retirement benefits	31,327	23,470
East West Insurance Company Limited	Equity investments	604	565

29 GENERAL

Figures have been rounded off to the nearest thousand.

30 CORRESPONDING FIGURE

Corresponding figures have been re-arranged and re-classified, wherever necessary. However, there were no significant reclassifications to report.

31 **DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue by the Board of Directors of the Company on **25 October 2022**.

Rehan Mobin	Jehanzeb Zafar	Malik Riffat Mahmood	Air Vice Marshal Mohammad Athar Shams (Retd)	Lt Gen Naveed Mukhtar (Retd)
Chief Financial Officer	Chief Executive Officer	Director	Director	Chairman