



ASKARI LIFE ASSURANCE COMPANY LIMITED

REPORT FOR THE HALF YEAR ENDE JUNE 30, 2022

Table of Content

Our Vision, Mission & Corporate Values -----	01
Company Information-----	02
Directors' Review -----	05
Directors' Review (Urdu) -----	07
Auditors Review Report -----	10
Condensed Interim Statement of Financial Position-----	13
Condensed Interim Statement of Comprehensive Income-----	14
Condensed Interim Cash Flow Statement -----	15
Condensed Interim Statement of Changes in Equity -----	16
Notes to Condensed Interim Financial information -----	17
Branch network-----	39

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)
Malik Riffat Mahmood
Rizwan Ullah Khan
Javed Yunus
Ayesha Rafique
Tariq Hameed
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
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
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
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

Directors' Review Report

We are pleased to present the unaudited financial statements for the half year ended June 30, 2022. The external auditors of the Company have performed limited scope review on these financial statements and have issued unqualified opinion.

Financial Highlights

Financial Statement Line item	30-Jun-2022	30-Jun-2021
	Rs. in ('000)	
Gross premium revenue	499,813	296,760
Investment and other income	51,630	33,573
Net Insurance Benefits	60,019	56,037
Acquisition expense	320,816	133,379
Marketing and administration expenses	109,203	89,072
Other expenses	6,239	4,574
(Loss)/profit after tax	(156,969)	(99,779)
Loss per share	(1.05)	(0.66)

Economy:

In the period under review, we have seen unprecedented economic conditions all around the world partly due to after impact of COVID crises and also due to political conditions. Pakistan economy has also taken an impact resulting in inflation. Further, changes in tax regime impacted the saving capacity of majority of our population. However, the government has taken certain steps to control the inflation and to bring stability in the economic conditions. These steps are expected to have a positive impact on common man's life in the long run. Even in these conditions your Company has shown growth in revenues through innovatively designed products and expending distribution network.

Financial Analysis of the Company

Gross Premium:

Gross premium stood at Rs.499.81 million for the half year was higher by 68% compared to Rs. 296.76 million of previous period.

The premiums underwritten under Individual and Group Life segment were Rs.382.61 million and Rs.117.20 million as compared to Rs. 172.42 million and 124.34 million respectively for same period of last year.

Investment:

The Investment income (including returns on Bank Deposits) for the half year ended 30th June 2022 is Rs.49.97 million as compared to Rs 33.13 million for the same period of last year.

The Company's Investment portfolio showing upward movement and stood at Rs.1,126.96 million, as compared to Rs 1,021.25 million as at 31 December 2021. The Company is constantly looking for new investment opportunities considering the current economic and political situation of the country.

Net Insurance Benefits:

The overall net insurance benefits expense for the half year of 2022 is Rs 60.02 million as compared to Rs 56.04 million for the same period of 2021. The modernized claims process developed by the Company is operating successfully and process of claim is much more convenient than before.

Expenses:

The Marketing & Administration expenses for the first half year of 2022 were Rs.109.2 million as compared to Rs 89.07 million showing a rise of 23% as compared to the same period of last year. Other expenses stood at Rs.6.2 million compared to Rs. 4.6 million in the same period of 2021. Loss after tax for the half year of 2022 has increased to Rs.156.97 million as compared to Rs. 99.78 million for the same period of 2021.

Future Outlook

Your Company is continuing to focus on branding, 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. Efforts are also being made to strengthen the back-office support systems to help record and consolidate the efforts made so far. At the same time, the Company is aware of local and international economic conditions which may affect its Business Plan.

Acknowledgment

The Directors extend their gratitude to the regulators and the reinsurer for their continued guidance and support to the Company's management towards the betterment of business processes. The Board also thanks the Company's policyholders and corporate clients for placing their trust and confidence in our organization.

We also extend our thanks to shareholders and staff members, whose loyalty and dedication to the Company is a source of encouragement for us to make Askari Life a strong and a symbol of trust for the marketplace.

On behalf of the Board of Directors



Director

Rawalpindi
Date: August 24, 2022



Chief Executive Officer

ڈائریکٹرز کی نظر ثانی رپورٹ

ہم ۳۰ جون ۲۰۲۲ء کو ختم ہونے والی پہلی ششماہی کے لئے غیر آڈٹ شدہ مالیاتی حسابات پیش کرنے میں خوشی محسوس کرتے ہیں۔ کمپنی کے خارجی آڈیٹرز نے ان مالیاتی حسابات پر محدود حد تک نظر ثانی کی ہے اور غیر مشروط رائے پیش کی ہے۔

مالیاتی سرخیاں

مالیاتی حساب کے سلسلے سے متعلقہ	۳۰ جون ۲۰۲۲ء	۳۰ جون ۲۰۲۱ء
		000 روپوں میں
مجموعی پریمیئم سے آمدنی	499,813	296,760
سرمایہ کاری اور دیگر آمدنی	51,630	33,573
خالص بیمہ فوائد	60,019	56,037
اخراجات برائے حصول	320,816	133,379
مارکیٹنگ اور انتظامی اخراجات	109,203	89,072
دیگر اخراجات	6,239	4,574
بعد از ٹیکس (تقصان) فائدہ	(156,969)	(99,779)
فی حصص نقصان	(1.05)	(0.66)

معیشت:

زیر نظر ثانی دورانے میں، ہمیں دنیا بھر میں کسی قدر کووڈ کے بحرانوں کے اثر کے بعد اور سیاسی حالات کی وجہ سے بھی کئی بے مثال معاشی حالات دیکھنے کو ملے۔ پاکستان کی معیشت پر اس کا اثر پڑا جو افراط زر کا نتیجہ ثابت ہوا۔ مزید یہ کہ، ٹیکس کے نظام میں تبدیلیاں بھی ہماری آبادی کی اکثریت کی بچت کی صلاحیت پر اثر انداز ہوئیں۔ البتہ، حکومت نے افراط زر پر قابو پانے کے لئے اور معاشی حالات میں استحکام لانے کے لئے کئی اقدامات اٹھائے ہیں۔ ان اقدامات سے آنے والے وقتوں میں عام شخص کی زندگی پر مثبت اثر پڑنے کی امید ہے۔ ان حالات میں بھی آپ کی کمپنی نے اختراعی طور پر تفکیک دی گئی پروڈکٹس اور بڑھتے ہوئے تقسیمی نیٹ ورک کے ذریعے آمدنیوں میں نشوونما دکھائی ہے۔

کمپنی کا مالی تجزیہ

مجموعی پریکٹس

۲۰۲۲ء کی پہلی ششماہی میں کمپنی کا مجموعی پریکٹس 499.81 ملین روپے رہا، جو ۲۰۲۱ء کے 296.76 ملین روپے کے مقابلے میں 68 فیصد تک بڑھ گیا۔

انفرادی لائف کا کاروبار اور گروپ لائف کا کاروبار ۲۰۲۱ء کے اسی دورانیے کے بالترتیب 172.42 ملین روپے اور 124.34 ملین روپے کے مقابلے میں 382.61 روپے اور 117.20 ملین روپے رہا۔

سرمایہ کاری

۲۰۲۲ء کی پہلی ششماہی کے لئے سرمایہ کاری کی آمدنی (بشمول بینک میں موجود رقم پر منافع)، پچھلے سال کے اسی دورانیے کے 33.13 ملین روپے کے مقابلے میں 49.97 ملین روپے رہی۔

کمپنی کی سرمایہ کاری کا حجم، ۳۱ دسمبر ۲۰۲۱ء کے پچھلے سال کے 1,021.25 ملین روپے کے مقابلے میں موجودہ طور پر 1,126.96 ملین روپے ہے۔ کمپنی مسلسل سرمایہ کاری کے نئے مواقع کی تلاش میں کوشاں ہے اور ملک کی موجودہ معاشی اور سیاسی صورت حال پر بھی توجہ مبذول کئے ہوئے ہے۔

خالص بیمہ فوائد

۲۰۲۱ء کی اسی ششماہی کے 56.04 ملین روپے کے مقابلے میں، ۲۰۲۲ء کی پہلی ششماہی کے لئے، مجموعی خالص بیمہ فوائد کے اخراجات 60.02 ملین روپے رہے۔ کمپنی کا تشکیل کردہ کلیمز کا جدید طریقہ کار کامیابی سے ہمکنار ہے اور کلیم کا طریقہ کار پہلے سے بہت زیادہ آسان ہے۔

اخراجات

مارکیٹنگ اور انتظامی اخراجات، ۲۰۲۱ء کی اسی ششماہی کے مقابلے میں جو کہ 89.07 ملین روپے تھے، 23 فیصد کے اضافے سے ۲۰۲۲ء کی پہلی ششماہی میں 109.2 ملین روپے ہو گئے۔ دیگر اخراجات، ۲۰۲۱ء کی اسی ششماہی کے 4.6 ملین روپے کے مقابلے میں، 6.2 ملین روپے رہے۔ ۲۰۲۲ء کی پہلی ششماہی کے لئے، ۲۰۲۱ء کی اسی ششماہی کے 99.78 ملین روپے کے مقابلے میں، بعد از ٹیکس نقصان 156.97 ملین روپے تک بڑھ گیا۔

مستقبل پر نظر

آپ کی کمپنی برانڈنگ، مارکیٹنگ کی نئی حکمت عملی کو بڑھانے کے لئے برانچ نیٹ ورک کے فروغ اور پھیلاؤ اور تقابلی مصنوعات کے آغاز پر مسلسل توجہ مرکوز کئے ہوئے ہے جو کمپنی کو آنے والے وقتوں میں قابل برداشت اخراجات کے ساتھ پریکٹس کی آمدنی کی نشوونما کے حصول میں مدد کرنے گی۔


ریکارڈ میں مدد کے لئے بیک آفس سپورٹ سسٹمز کو مضبوط کرنے اور اب تک کی گئی کوششوں کو مستحکم کرنے کی کوششیں بھی کی جا رہی ہیں۔ اسی کے ساتھ ساتھ، کمپنی ان مقامی اور بین الاقوامی معاشی حالات سے بھی باخبر ہے جو اس کے کاروباری منصوبے پر اثر انداز ہو سکتے ہیں۔


اعتبار ٹھکر

ڈائریکٹرز، ہمارے کاروبار کے طریقہ ہائے جات کی بہتری کے لئے کمپنی کی انتظامیہ کی حمایت اور مسلسل رہنمائی کے لئے ریگولیٹرز اور ری انشورر کے مشکور ہیں۔ بورڈ کمپنی کے خیر خواہ پالیسی ہولڈرز اور کارپوریٹ صارفین کا بھی خلوص دل سے شکریہ ادا کرنا چاہتا ہے جنہوں نے ہمارے ادارے میں اپنا اعتماد اور اعتبار قائم رکھا۔

ہمارے حصص کنندگان اور عملے کے ارکان کا بھی شکریہ جنکی مسلسل وابستگی اور خیر خواہی عسکری لائف کو ایک مضبوط اور قابل بھروسہ مالیاتی ادارہ اور مارکیٹ کے لئے بھروسے کا نشان بنانے کے لئے ہمارے لئے حوصلہ افزائی کا ایک ذریعہ ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے


چیف ایگزیکٹو آفیسر


ڈائریکٹر

۲۳ اگست ۲۰۲۲ء

ASSURANCE DEPARTMENT

ASKARI LIFE ASSURANCE COMPANY LIMITED
CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2022

INDEPENDENT AUDITOR'S REVIEW REPORT**TO THE MEMBERS OF ASKARI LIFE ASSURANCE COMPANY LIMITED****REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS****Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Askari Life Assurance Company Limited as at June 30, 2022 and the related condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed financial statements for the six months period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to note 15.1.3 to the financial statements, which describes that the Company has challenged the scope and applicability of the provincial sales tax on services on the premium from life insurance business.

Our conclusion is not qualified in respect of this matter.

Other Matter

The figures for the quarters ended June 30, 2022 and June 30, 2021 in the condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's report is Adnan Zaman.


Chartered Accountants
Karachi
Date: 29 AUG 2022

UDIN: RR202210242d4yPh1BMZ

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

		June 30, 2022	December 31, 2021
		Un-Audited	Audited
	Note	----- (Rupees in '000) -----	
ASSETS			
Property and equipment	6	17,249	19,367
Right of use assets	7	9,918	14,333
Intangible assets	8	120	340
Investments			
Equity securities	9	8,029	9,188
Government securities	10	890,674	736,706
Mutual funds	12	117,905	82,785
Other fixed income securities	11	-	48,800
Loans secured against life insurance policies		5,991	6,080
Insurance receivables		83,240	54,782
Other loans and receivables		17,506	17,005
Taxation - payments less provision		24,223	20,636
Prepayments		5,380	1,593
Cash and bank	13	110,351	143,773
TOTAL ASSETS		<u>1,290,586</u>	<u>1,155,388</u>
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)		(1,384,575)	(1,222,977)
Unrealised gain on available-for-sale financial assets	14	624	2,283
Accumulated losses		(68,228)	(72,857)
TOTAL EQUITY		<u>50,041</u>	<u>208,669</u>
Advance against equity		300,000	100,000
LIABILITIES			
Insurance liabilities	15	725,531	611,315
Retirement benefit obligations		29,447	23,470
Premium received in advance		39,566	44,540
Insurance / reinsurance payables		56,380	60,020
Other creditors and accruals		77,308	89,651
Lease liability against right of use assets		12,313	17,723
TOTAL LIABILITIES		<u>940,545</u>	<u>846,719</u>
TOTAL EQUITY AND LIABILITIES		<u>1,290,586</u>	<u>1,155,388</u>
CONTINGENCIES AND COMMITMENTS			

The annexed notes from 1 to 33 form an integral part of these financial statements.







Chief Financial Officer Chief Executive Officer Director Director Chairman

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

	Half Year ended		Quarter ended	
	June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)
Note	----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----	----- (Rupees in '000) -----
Gross premium / contribution revenue	499,813	296,760	234,953	156,036
Re insurance premium / contribution ceded	(92,841)	(101,438)	(32,373)	(53,133)
Net premium / contribution revenue	406,972	195,322	202,580	102,903
Investment income	46,742	30,875	27,759	15,993
Net realised fair value gains / (losses) on financial assets	86	-	86	-
Net fair value gains / (losses) on financial assets at fair value	(391)	(134)	(299)	301
Other income	5,193	2,832	2,028	816
	51,630	33,573	29,574	17,110
Total income	458,602	228,895	232,154	120,013
Insurance benefits	282,187	218,428	178,597	97,304
Reinsurance recoveries	(222,168)	(162,391)	(145,553)	(69,411)
Net insurance benefits expense	60,019	56,037	33,044	27,893
Net change in insurance liabilities (other than outstanding claims)	119,091	45,391	81,430	29,194
Acquisition expenses	320,816	133,379	160,296	68,988
Marketing and administration expenses	109,203	89,072	56,500	46,792
Other expenses	6,239	4,574	4,219	2,629
Total expenses	555,349	272,416	302,445	147,603
Loss before tax	(156,766)	(99,558)	(103,335)	(55,483)
Income tax expense	(203)	(221)	(115)	(110)
Loss for the period	(156,969)	(99,779)	(103,450)	(55,593)
Other comprehensive income:				
Unrealised gain on remeasurement of available-for-sale financial assets	(1,659)	(447)	(2,102)	(163)
	(1,659)	(447)	(2,102)	(163)
Total comprehensive loss for the period	(158,628)	(100,226)	(105,552)	(55,756)
Loss per share - Rupees	(1.05)	(0.66)	(0.69)	(0.37)

AM

Edan M...

Chief Financial Officer

JFK

Chief Executive Officer

h

Director

Quar

Director

Chairman

Chairman

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

Note

Share Capital	Revenue reserves	Retained earnings arising from business other than participating business attributable to the shareholders (Ledger Account D)	Money Ceded to Waqf Fund	Other Reserves	Total Equity
	Accumulated losses			Unrealised gain on available-for-sale financial assets	

(Rupees in '000)

Balance as at January 1, 2021	1,501,720	(82,242)	(971,482)	500	2,373	450,869
Loss for the period	-	(99,779)	-	-	-	(99,779)
Change in fair value of available for sale investments	-	-	-	-	(447)	(447)
Deficit for the period in statutory funds	-	107,893	(107,893)	-	-	-
Balance as at June 30, 2021	1,501,720	(74,128)	(1,079,375)	500	1,926	350,643
Balance as at January 1, 2022	1,501,720	(72,857)	(1,222,977)	500	2,283	208,669
Loss for the period	-	(156,969)	-	-	-	(156,969)
Change in fair value of available for sale investments	-	-	-	-	(1,659)	(1,659)
Deficit for the period in statutory funds	-	161,598	(161,598)	-	-	-
Balance as at June 30, 2022	1,501,720	(68,228)	(1,384,575)	500	624	50,041

The annexed notes from 1 to 33 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

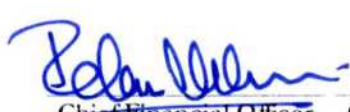




Director

Chairman

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

	June 31, 2022 (Un-Audited)	June 31, 2021 (Un-Audited)
Note	----- (Rupees in '000) -----	
Operating Cashflows		
(a) Underwriting activities		
Insurance premium / contribution received	522,341	289,580
Claims paid	(217,336)	(150,094)
Commission paid	(210,154)	(67,785)
Marketing and administrative expenses paid	(233,727)	(156,410)
Net cash used in underwriting activities	(138,876)	(84,709)
(b) Other operating activities		
Income tax paid	(3,790)	(1,835)
Other operating payments	(1,750)	(1,711)
Gratuity paid	(1,061)	(1,541)
Other operating receipts	6,675	7,169
Net cash flow / (used in) from other operating activities	74	2,082
Total cash used in from all operating activities	(138,802)	(82,627)
Investment activities		
Profit received	42,873	30,252
Dividend received	6,836	1,867
Payment for purchase of investments	(2,240,393)	(1,783,320)
Proceeds from disposal of investments	2,099,301	1,806,851
Addition to property and equipment	(3,237)	(2,685)
Proceeds from sale of property and equipment	-	2,434
Total cash flow generated from / (used in) from investing activities	(94,620)	55,399
Financing activities		
Advance received against equity	200,000	-
Total cash generated from financing activities	200,000	-
Net increase in cash and cash equivalents	(33,422)	(27,228)
Cash and cash equivalents at beginning of period	143,773	86,503
Cash and cash equivalents at end of period	110,351	59,275
13		
Reconciliation to profit and loss account		
Operating cash flows	(138,802)	(82,627)
Depreciation expense on property and equipment	(5,359)	(6,036)
Amortisation expense on intangible assets	(220)	(496)
Depreciation on right of use asset	(4,411)	(6,315)
Profit on disposal of property and equipment	-	1,019
Net realised fair value gains/(losses) on financial assets	86	-
Dividend and other investment income	51,935	32,614
Increase in assets other than cash	51,306	72,667
(Increase) in liabilities	(111,113)	(110,471)
Net fair value gain /(losses) on financial assets at fair value	(391)	(134)
9.1		
Loss after taxation	(156,969)	(99,779)

The annexed notes from 1 to 33 form an integral part of these financial statements.

 Chief Financial Officer
  Chief Executive Officer
  Director
  Director
  Chairman

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR SIX MONTHS PERIOD ENDED JUNE 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 Regional Development Center: D-110 Satellite Town Opp Rawalpindi Law College, Main 6th Road, 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.

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.

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

6 PROPERTY AND EQUIPMENT

	June 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
	-----Rupees in '000-----	
Property and equipments	17,249	19,367
	<u>17,249</u>	<u>19,367</u>

	June 30, 2022 (Un-Audited)		June 30, 2021 (Un-Audited)	
	Addition	Deletion	Addition	Deletion
	-----Rupees in '000-----			
Furniture & fixture	1,199	-	-	-
Office equipment	-	-	-	-
Computer and accessories	2,038	394	439	421
Vehicles	-	-	2,246	2,246
Lease improvements	-	-	-	-
	<u>3,237</u>	<u>394</u>	<u>2,685</u>	<u>2,667</u>

7 RIGHT OF USE ASSETS

	June 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
	-----Rupees in '000-----	
Right of use assets	9,918	14,333
	<u>9,918</u>	<u>14,333</u>

	June 30, 2022 (Un-Audited)		June 30, 2021 (Un-Audited)	
	Addition / Adjustment	Deletion	Addition / Adjustment	Deletion
	-----Rupees in '000-----			
Right of use assets	-	-	-	10,588
	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,588</u>

8 INTANGIBLE ASSETS

	June 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
	-----Rupees in '000-----	
Intangible assets	120	340
	<u>120</u>	<u>340</u>

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

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

9 INVESTMENTS IN EQUITY SECURITIES

	June 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	(2)	-	338	340	150	-	490
D. G. Khan Cement Company Limited	512	-	(324)	188	512	-	(263)	249
Habib Bank Limited	1,351	-	(712)	639	1,351	-	(535)	816
Chandhara Industries Limited	1,633	-	(1,001)	632	1,633	-	(926)	707
Millat Tractor Limited	744	321	-	1,065	744	-	(12)	732
Bifo Industries Limited	350	-	(209)	141	350	-	(179)	171
Desccon Oxychem Limited	101	(10)	-	91	101	32	-	133
Packages Limited	2,221	(626)	-	1,595	2,221	(232)	-	1,989
Al-Shaher Corporation	78	-	(55)	23	78	-	(44)	34
Friesland Campina Engro Pakistan Limited	323	-	(118)	205	323	-	(69)	254
Ferozsons Laboratories Limited	1,958	462	-	2,420	1,958	975	-	2,933
AGP Limited	103	(15)	-	88	103	(6)	-	97
	9,995	453	(2,419)	8,029	9,995	1,221	(2,028)	9,188

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

Opening balance
(Provision) / reversal for the period
Closing balance

	June 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
	(2,028)	(1,172)
	(391)	856
	(2,419)	(2,028)

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

10 INVESTMENTS IN GOVERNMENT SECURITIES

June 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%	10,465	on Maturity	10,496	12.63%	10,465	10,465
10 year Pakistan Investment Bonds	19-Jul-22	12.52%	8,178	on Maturity	8,198	12.52%	8,178	8,178
10 year Pakistan Investment Bonds	21-Apr-26	9.19%	9,844	on Maturity	9,858	9.19%	9,844	9,844
10 year Pakistan Investment Bonds	21-Apr-26	8.07%	23,054	on Maturity	22,999	8.07%	23,054	23,054
10 year Pakistan Investment Bonds	21-Feb-29	11.21%	39,371	on Maturity	39,363	11.21%	39,371	39,371
10 year Pakistan Investment Bonds	09-Dec-30	7.81%	40,356	on Maturity	40,431	7.81%	40,356	40,356
12 Months Treasury Bills	12-Jan-23	11.48%	16,500	on Maturity	15,542	-	-	-
03 Months Treasury Bills	24-Feb-22	7.21%	-	on Maturity	-	7.21%	345,328	345,328
03 Months Treasury Bills	22-Sep-22	12.40%	52,680	on Maturity	50,913	-	-	-
03 Months Treasury Bills	11-Aug-22	14.42%	215,545	on Maturity	212,026	-	-	-
03 Months Treasury Bills	22-Sep-22	14.95%	77,580	on Maturity	75,000	-	-	-
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	11-Aug-22	10.63%	56,465	on Maturity	55,783	-	-	-
06 Months Treasury Bills	25-Aug-22	10.84%	105,300	on Maturity	103,577	-	-	-
12 Months Treasury Bills	15-Dec-22	11.44%	5,520	on Maturity	5,244	11.44%	4,976	4,976
12 Months Treasury Bills	18-May-23	14.75%	21,500	on Maturity	19,024	-	-	-
5 Years GOP Sukuks	09-Dec-25	14.85%	26,200	on Maturity	26,206	7.07%	26,207	26,207
5 Years GOP Sukuks	09-Dec-25	14.85%	50,000	on Maturity	50,198	-	-	-
5 Years GOP Sukuks	09-Dec-25	14.30%	31,500	on Maturity	31,795	-	-	-
5 Years GOP Sukuks	09-Dec-25	14.85%	48,000	on Maturity	48,190	-	-	-
5 Years GOP Sukuks	09-Dec-25	14.70%	24,750	on Maturity	24,847	-	-	-
5 Years GOP Sukuks	09-Dec-25	14.67%	16,150	on Maturity	16,223	-	-	-
5 Years GOP Sukuks	09-Dec-25	14.67%	24,650	on Maturity	24,761	-	-	-
					890,674			736,706

11 INVESTMENT IN TERM DEPOSIT RECEIPTS

	June 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
HELD TO MATURITY		
Deposits maturing within 12 months	-	48,800

12 INVESTMENTS IN MUTUAL FUNDS

	June 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	-	129	120	4	124
NBP income opportunity fund	13,218	115	13,333	12,214	629	12,843
Alhama islamic money market fund	16,898	-	16,898	11,304	-	11,304
ABL islamic cash fund	17,356	-	17,356	11,249	-	11,249
Alfalah islamic rozana amdan fund	16,754	-	16,754	11,096	-	11,096
Faysal halal amdan fund	11,634	40	11,674	9,821	385	10,206
NBP islamic daily dividend fund	11,780	-	11,780	11,199	1	11,200
Al-Ameen Islamic Cash Fund	-	-	-	5,737	43	5,780
Meezan Rozana Amdani Fund	4,798	-	4,798	4,576	-	4,576
Meezan Daily Income Fund	9,173	-	9,173	2,156	-	2,156
Faysal Islamic Cash Fund	9,462	-	9,462	2,251	-	2,251
HBL Islamic Income fund	6,532	16	6,548	-	-	-
	117,734	171	117,905	81,723	1,062	82,785

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

13	CASH AND BANK			June 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
				----- Rupees in '000 -----	
	Cash and Stamps			1,708	585
	Cash at bank				
	- current account			34,691	72,773
	- saving account			73,952	70,415
	Cash and cash equivalents			110,351	143,773
14	UNREALIZED GAIN ON AVAILABLE FOR SALE FINANCIAL ASSETS				
	Investment in equity securities	9		453	1,221
	Investment in mutual funds	12		171	1,062
				624	2,283
				June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)
				----- Rupees in '000 -----	
14.1	Movement in balance of Unrealized Gain / (Loss) on available for sale Financial Assets				
	Opening balance			2,283	2,373
	Unrealised Gain / (Loss) for the period			(1,659)	(447)
	Closing balance			624	1,926
15	INSURANCE LIABILITIES			June 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
				----- Rupees in '000 -----	
	Reported outstanding claims (including claims in payment)	15.1		129,613	134,487
	Incurred but not reported claims (IBNR)	15.2		4,750	6,588
	Investment component of account value policies / certificates	15.3		536,548	419,895
	Liabilities under individual conventional insurance / takaful contracts	15.4		2,284	2,274
	Liabilities under group insurance / group family takaful contracts (other than investment linked)	15.5		7,079	14,499
	Other insurance / family takaful liabilities	15.6		45,257	33,572
				595,918	476,828
				725,531	611,315
15.1	Reported outstanding claims				
	Gross of Reinsurance / Re takaful				
	Payable within one year			334,439	275,957
	Payable over a period of time exceeding one year			22,998	16,630
				357,437	292,587
	Recoverable from Reinsurance / Re takaful				
	Receivable within one year			(207,004)	(142,819)
	Receivable over a period of time exceeding one year			(20,820)	(15,281)
				(227,824)	(158,100)
	Net reported outstanding claims			129,613	134,487
15.2	Incurred but not reported claims				
	Gross of reinsurance			13,732	23,563
	Reinsurance recoveries			(8,982)	(16,975)
	Net of reinsurance			4,750	6,588
15.3	Investment component of universal life and account value policies / certificates				
	Investment component of account value policies			536,548	419,895
15.4	Liabilities under individual conventional insurance / takaful contracts				
	Gross of reinsurance			2,296	2,287
	Reinsurance credit			(12)	(13)
	Net of reinsurance			2,284	2,274

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

	June 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
	----- Rupees in '000 -----	
15.5 Liabilities under Group Insurance / Group Family Takaful Contracts (other than Investment linked)		
Gross of reinsurance	32,677	94,022
Reinsurance credit	(25,598)	(79,523)
Net of reinsurance	<u>7,079</u>	<u>14,499</u>
15.6 Other insurance liabilities		
Gross of reinsurance	64,950	43,736
Reinsurance recoveries	(19,693)	(10,164)
Net of reinsurance	<u>45,257</u>	<u>33,572</u>

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

- 16.1.1** There is pending adjudication bearing No. 125/2012 before the Session Court, South, Karachi in respect of an 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 at 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 affected 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.

- 16.1.2** 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.

- 16.1.3** 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 its customers. The amount of sales tax involved is around Rs. 90.5 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 filing 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.

- 16.1.4** 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.

- 16.1.5** 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.

- 16.1.6** 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.

- 16.1.7** 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.

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

16.2 Commitments

Operating leases

June 30, 2022
(Un-Audited) December 31,
2021
(Audited)

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

The company has entered into Ijarah arrangement for vehicles. The aggregate amount of commitments against these arrangement are as follows:

Not later than one year	5,630	4,768
Later than one year and not later than five years	7,367	6,863
	<u>12,997</u>	<u>11,631</u>

17 NET INSURANCE PREMIUM / CONTRIBUTION REVENUE

Half year ended
June 30, 2022 June 30, 2021
(Un-Audited) (Un-Audited)
Quarter ended
June 30, 2022 June 30, 2021
(Un-Audited) (Un-Audited)

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

Gross Premiums / Contributions revenue

Regular Premium / Contributions Individual Policies*

First year	261,836	105,122	136,702	59,313
Second year renewal	64,836	26,397	31,492	7,162
Subsequent year renewal	28,697	11,919	10,672	6,275
Single premium / Contribution individual policies	27,237	28,978	18,902	22,060
Group policies without cash value	117,207	124,344	37,185	61,226
Total Gross Premiums / Contribution	499,813	296,760	234,953	156,036

Less: Reinsurance Premium / Contribution Ceded

On individual life first year business	1,071	3,329	545	2,858
On individual life second year business	132	809	13	-
On individual life renewal business	168	359	99	-
On group policies	91,475	96,950	31,721	50,287
Less : Reinsurance commission on risk premium	(5)	(9)	(5)	(12)
Total Reinsurance Premium / Contribution Ceded	92,841	101,438	32,373	53,133

Net Premium / Contribution Revenue

406,972	195,322	202,580	102,903
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*Individual policies are those underwritten on an individual basis, and include joint life policies underwritten as such.

18 INVESTMENT INCOME

Income from equity securities

Available for Sale

Dividend income	6,837	1,932	5,100	1,555
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Income from debt securities

Held to Maturity

Return on government securities	39,905	28,943	22,659	14,438
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46,742	30,875	27,759	15,993
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19 NET REALISED FAIR VALUE GAINS / (LOSSES)
ON FINANCIAL ASSETS

Available for sale

Realised gains/(losses) on:

Equity securities	-	-	-	-
Mutual funds	86	-	86	-
	<u>86</u>	<u>-</u>	<u>86</u>	<u>-</u>

20 NET FAIR VALUE GAINS/ LOSSES ON FINANCIAL ASSETS AT FAIR
VALUE

Reversal/(impairment) in value of available for sale investments

(391)	(134)	(299)	301
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21 OTHER INCOME

Return on bank saving accounts	3,578	1,739	1,809	732
Return on other bank deposits	1,532	74	210	74
Gain on sale of property and equipment	-	1,019	-	10
Miscellaneous	83	-	9	-
	<u>5,193</u>	<u>2,832</u>	<u>2,028</u>	<u>816</u>

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

22 NET INSURANCE BENEFITS

Gross Claims

Claims under individual policies

by death

by insured event other than death

by maturity

by surrender

Total gross individual policy claims

Claims under group policies

by death

by insured event other than death

Total gross group policy claims

Total gross claims

Less: Reinsurance recoveries

On Individual life claims

On Group life claims

Total reinsurance recoveries

Net insurance benefit expense

7,425	2,410	4,206	1,902
-	220	-	-
6,519	8,459	3,912	6,423
26,603	13,498	13,377	5,283
40,547	24,587	21,495	13,608
234,244	190,341	149,706	82,501
7,396	3,500	7,396	1,195
241,640	193,841	157,102	83,696
282,187	218,428	178,597	97,304
(3,849)	(175)	(1,610)	(175)
(218,319)	(162,216)	(143,943)	(69,236)
(222,168)	(162,391)	(145,553)	(69,411)
60,019	56,037	33,044	27,893

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23 ACQUISITION EXPENSES

Commission to agent on first year premiums
Commission to agent on second year premiums
Commission to agent on subsequent renewal premiums

Commission

Employee benefit cost

Employee benefit cost

Employee benefit cost

Depreciation on right of use asset

Advertisements and sales promotion

Vehicle running expenses

Depreciation on property and equipment

Repair and maintenance

Finance charges on lease liability against right of use asset

Electricity, gas and water

- liara rental

Postage, telegrams and telephone

Entertainment

Stamp duty

Rent, rates and taxes

Printing and stationery

Insurance

Bank charges

Miscellaneous

- Employee benefit cost
- Advertisements and sales promotion
- Depreciation on right of use asset
- Vehicle running expenses
- Travel and conveyance
- Repair and maintenance
- Depreciation on property and equipment
- Postage, telegrams and telephone
- Printing and stationery
- Finance charges on lease liability against right of use asset
- Entertainment
- Hotel rental
- Rent, rates and taxes
- Electricity, gas and water
- Insurance
- Fees, subscription and periodicals
- Miscellaneous
- Amortisation of intangible assets
- Bank charges
- Annual supervision fee SICP

Legal and professional charges
Appointed actuary fees
Auditors' remuneration
Shariah Advisor Fee
Director meeting fee

Half year ended		Quarter ended	
June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)

173,003	56,854	89,643	33,253
5,257	2,410	2,482	686
833	302	324	167
179,093	59,566	92,449	34,106
16,534	11,545	166	6,427
85,869	39,730	44,764	19,172
161	2,571	(2)	1,030
16,957	7,003	11,279	1,452
3,438	2,738	1,710	1,443
1,642	2,041	772	1,003
1,410	1,209	1,068	602
3,961	671	873	273
-	246	-	70
1,072	731	874	399
1,203	985	610	591
1,329	1,211	764	598
657	626	275	245
3,007	1,099	1,417	722
4,001	740	2,967	526
473	482	309	302
-	150	-	-
9	35	1	27
-	-	-	-
125,189	62,268	67,681	28,455
320,816	133,379	160,296	68,988

Note

Half year ended		Quarter ended	
June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Rupees in '000			

69,428	54,382	36,142	27,619
2,485	3,108	539	2,440
4,250	3,744	2,125	2,172
4,979	2,859	2,913	1,371
1,150	966	478	598
7,835	7,202	4,188	3,627
3,717	3,995	1,808	1,985
2,947	2,423	2,171	1,359
4,494	2,546	2,532	1,031
713	1,414	309	815
837	506	488	196
1,216	1,485	618	584
91	72	(290)	6
1,119	832	662	620
1,941	1,819	1,140	1,589
238	124	18	62
423	461	196	376
220	496	109	248
402	154	354	86
718	484	-	-
109,203	89,072	56,500	46,792

22/11

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

26 SEGMENTAL INFORMATION

26.1 Revenue Account by Statutory Fund

For the six months period ended June 30, 2022

	Statutory funds						Quarter ended June 30, 2022
	Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful	Group Family Takaful	Total	
	Rs in '000'						
Income							
Premium / Contributions less reinsurances	12,115	101,959	-	279,016	13,882	406,972	202,580
Net investment income	4,553	23,899	459	8,333	1,223	38,467	22,222
Other income	-	-	-	-	-	-	-
Total net income	16,668	125,858	459	287,349	15,105	445,439	224,802
Insurance benefits and expenditure							
Insurance benefits including bonuses, net of reinsurance recoveries	18,575	26,728	-	9,679	5,037	60,019	33,044
Management expenses less recoveries	31,908	102,061	-	279,294	14,664	427,927	216,776
Total insurance benefits and expenditure	50,483	128,789	-	288,973	19,701	487,946	249,820
(Deficit)/ surplus of income over claims and expenditure	(33,815)	(2,931)	459	(1,624)	(4,596)	(42,507)	(25,018)
Add: Policyholders' liabilities at beginning of the period	22,953	348,734	-	103,317	1,823	476,827	514,488
Less: Policyholders' liabilities at end of the period	9,309	402,150	-	179,259	5,200	595,918	595,918
(Deficit)/surplus	(20,171)	(56,347)	459	(77,566)	(7,973)	(161,598)	(106,448)
Movement in policyholders' liabilities	(13,644)	53,416	-	75,942	3,377	119,091	81,430
Transfers from shareholders' fund							
- Capital contributions from shareholders' fund	30,500	57,500	-	81,500	500	170,000	114,500
- Money ceded to Waqf	-	-	-	-	-	-	-
Balance of statutory fund at beginning of the period	39,015	349,058	6,842	104,100	9,594	508,609	546,620
Balance of statutory fund at end of the period	35,700	403,627	7,301	183,976	5,498	636,102	636,102
	Statutory funds						
	Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful Contracts	Group Family Takaful	Total	Quarter ended June 30, 2021
	Rs in '000'						
Income							
Premium / Contribution reinsurances	24,408	102,697	-	65,094	3,123	195,322	102,903
Net investment income	2,909	13,880	273	765	162	17,989	9,488
Total net income	27,317	116,577	273	65,859	3,285	213,311	112,391
Claims and expenditure							
Claims, including bonuses, net of reinsurance recoveries	31,871	23,204	-	248	714	56,037	27,893
Management expenses less recoveries	56,286	89,901	-	67,369	6,220	219,776	114,571
Total claims and expenditure	88,157	113,105	-	67,617	6,934	275,813	142,464
(Deficit)/surplus of income over claims and expenditure	(60,840)	3,472	273	(1,758)	(3,649)	(62,502)	(30,073)
Add: Policyholders' liabilities at beginning of the period	9,310	287,432	-	15,842	730	313,314	329,511
Less: Policyholders' liabilities at end of the period	12,131	300,614	-	45,406	554	358,705	358,705
(Deficit) / Surplus	(63,661)	(9,710)	273	(31,322)	(3,473)	(107,893)	(59,267)
Movement in policyholders' liabilities	2,821	13,182	-	29,564	(176)	45,391	29,194
Transfers from shareholders' fund							
- Capital contributions from shareholders' fund	71,000	6,000	-	31,000	3,000	111,000	60,000
Balance of statutory fund at beginning of the period	19,331	291,662	6,227	16,363	1,508	335,091	353,662
Balance of statutory fund at end of the period	29,491	301,134	6,500	45,605	859	383,589	383,589

234

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

27 Segment Statement of financial position

Shareholders' fund	Statutory funds					June 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	17,249	-	-	-	-	17,249	19,367
Right of use assets	9,918	-	-	-	-	9,918	14,333
Intangible assets	120	-	-	-	-	120	340
Investments	298,255	30,931	460,012	6,875	186,674	33,861	828,679
Term deposits	-	-	-	-	-	-	48,800
Loans secured against life insurance policies	-	1,487	4,504	-	-	5,991	6,080
Insurance receivables	5,837	77,027	-	376	-	83,240	54,782
Other loans and receivables	14,326	1,500	-	1,195	422	63	17,005
Taxation - payments less provision	24,223	-	-	-	-	24,223	20,636
Prepayments	5,380	-	-	-	-	5,380	1,593
Cash & Bank	10,780	13,995	20,480	2,616	49,395	13,085	143,773
Total assets	386,088	124,940	484,996	11,062	236,491	47,009	1,155,388
Insurance liabilities net of reinsurance recoveries	-	79,667	452,518	3,599	181,709	8,038	725,531
Retirement benefit obligations	29,447	-	-	-	-	-	23,470
Premium received in advance	-	11,896	12,820	-	13,551	1,299	39,566
Insurance / reinsurance payables	5,837	-	9,918	161	4,736	35,728	60,020
Lease liability against right of use assets	12,313	-	-	-	-	-	89,651
Other creditors and accruals	28,629	6,990	8,265	-	31,779	1,645	77,308
Total Liabilities	76,226	98,553	483,521	3,760	231,775	46,710	846,719

22/11

28 WINDOW TAKAFUL OPERATIONS

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

28.1 Statement of Financial Position
As at June 30, 2022

Operator's Sub Fund	Statutory funds		Aggregate	Aggregate
	Individual Family Takaful	Group Family Takaful	June 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)	3,192	-	3,192	12,150
Qard-e-Hasna contributed by the Window Takaful Operator	-	-	-	-
Net shareholders' equity	3,192	-	3,192	12,150
Balance of statutory fund (including Technical reserves Rs. 184,459 million (December 31, 2021: Rs.105,140 million))	-	178,672	7,609	186,281
Deferred liabilities				
Staff retirement benefits	-	-	-	-
Creditors and accruals				
Outstanding claims	-	2,450	2,838	5,288
Contributions received in advance	-	13,551	1,299	14,850
Amount due to takaful / re-takaful operators	-	4,736	35,728	40,464
Amounts due to agents	29,119	-	-	29,119
Accrued expenses	-	-	-	-
Other creditors and accruals	4,305	-	-	4,305
	33,424	20,737	39,865	94,026
Total liabilities	33,424	199,409	47,474	280,307
Commitments	-	-	-	-
Total equity and liabilities	36,616	199,409	47,474	283,499
Rupees in '000				
Cash and bank deposits				
Cash and others	1,525	-	-	1,525
Current and other accounts	23,268	29,934	7,752	60,954
Deposits maturing within 12 months	-	-	-	-
	24,793	29,934	7,752	62,479
Unsecured loans to employees	-	-	-	-
Investments				
Government securities	7,879	108,552	20,772	137,203
Listed securities	-	-	-	-
Open end mutual funds	-	76,791	6,541	83,332
Provision for diminution in value	-	-	-	-
	7,879	185,343	27,313	220,535
Current assets - others				
Contributions due but unpaid	-	-	-	-
Amount due from takaful / re-takaful operators	-	-	-	-
Sundry receivables	-	-	-	-
Investment income accrued	-	122	63	185
Advances and deposits	300	-	-	300
Prepayments	-	-	-	-
Taxation - payments less provision	-	-	-	-
Inter fund balance	3,644	(15,990)	12,346	-
	3,944	(15,868)	12,409	485
Fixed assets				
Tangible assets				
Furniture & fixture, office equipments	-	-	-	-
Motor vehicles	-	-	-	-
Right of use	-	-	-	-
Computer equipments	-	-	-	-
Intangible assets				
Softwares	-	-	-	-
Total assets	36,616	199,409	47,474	283,499

2022

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

28.2 Revenue Account

For the six months period ended June 30, 2022

Statutory Funds		Six Months ended		Quarter ended	
Universal Life Family Takaful	Group Family Takaful	-----Aggregate-----			
		June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)
-----Rupees in '000-----					

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

28.2.1 Participants' Investment Fund (PIF)

Income

Allocated contribution

Investment income

Total net income

Less: Claims and Expenditure

Claims

Takaful operator fee

Excess of Income over Claims and expenditure

Add : Technical reserves at the beginning of the period

Less : Technical reserves at the end of the period

Income retained in PIF

Movement in technical reserves

Surplus before distribution

Movement in technical reserves

Transfers from

Qard-e-Hasna contributed by Window Takaful Operator

Money ceded to Waqf

Balance of PIF at the beginning of the period

Balance of PIF at the end of the period

91,199	-	91,199	30,720	63,966	22,643
7,422	-	7,422	661	4,938	444
98,621	-	98,621	31,381	68,904	23,087
9,179	-	9,179	48	4,908	48
12,050	-	12,050	1,779	6,798	1,514
21,229	-	21,229	1,827	11,706	1,562
77,392	-	77,392	29,554	57,198	21,525
97,930	-	97,930	15,105	110,566	22,357
172,630	-	172,630	44,646	172,630	44,646
2,692	-	2,692	13	(4,866)	(764)
(77,392)	-	(77,392)	(29,554)	(57,198)	(21,525)
77,392	-	77,392	29,554	57,198	21,525
-	-	-	-	-	-
-	-	-	-	-	-
97,969	-	97,969	15,107	118,163	23,136
175,361	-	175,361	44,661	175,361	44,661

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

28.3 Revenue Account

For the six months period ended June 30, 2022

Six Months ended Quarter ended

-----Aggregate-----

Statutory Funds		Aggregate	Aggregate	Aggregate	Aggregate
Individual Family Takaful	Group Family Takaful	June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)

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

28.3.1 Participants' Takaful Fund (PTF)

Income

Contribution net of retakaful

Net investment income

Other income

187,817	13,882	201,699	37,497	95,042	24,786
95	1,169	1,264	157	816	89
-	-	-	-	-	-
187,912	15,051	202,963	37,654	95,858	24,875

Less: Claims and Expenditure

Claims

Takaful operator fee

500	5,037	5,537	914	4,205	664
182,131	7,949	190,080	36,747	85,965	24,247
182,631	12,986	195,617	37,661	90,170	24,911

Excess / (Deficit) of Income over Claims and expenditure

5,281	2,065	7,346	(7)	5,688	(36)
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Add : Technical reserves at the beginning of the period

Less : Technical reserves at the end of the period

Deficit retained in PTF

5,387	1,823	7,210	1,467	6,889	1,048
6,629	5,200	11,829	1,314	11,829	1,314
4,039	(1,312)	2,727	146	748	(302)

Movement in technical reserves

(5,281)	(2,065)	(7,346)	7	(5,688)	36
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Surplus before distribution

Movement in technical reserves

5,281	2,065	7,346	(7)	5,688	(36)
-------	-------	-------	-----	-------	------

Transfers from

Qard-e-Hasna contributed by Window Takaful Operator

Money ceded to Waqf

Balance of PTF at the beginning of the period

-	-	-	-	-	-
-	-	-	-	-	-
(1,970)	5,544	3,574	53	5,232	82

Balance of PTF at the end of the period

3,311	7,609	10,920	46	10,920	46
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ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR SIX MONTHS PERIOD ENDED JUNE 30, 2022

28.4 Operators' Sub Fund (OSF)

	Statutory Funds		Six Months ended		Quarter ended	
	Individual Family Takaful	Group Family Takaful	Aggregate June 30, 2022 (Un-Audited)	Aggregate June 30, 2021 (Un-Audited)	Aggregate June 30, 2022 (Un-Audited)	Aggregate June 30, 2021 (Un-Audited)
-----Rupees in '000'-----						
Income						
Allocation fee	4,850	-	4,850	1,621	2,640	1,621
Investment income	816	54	870	108	569	60
Takaful operator fee	186,076	7,949	194,025	36,528	88,256	23,763
Certificate admin fee	2,250	-	2,250	196	1,294	196
Wakalat-ul-Istismar	1,005	-	1,005	181	573	181
	194,997	8,003	203,000	38,634	93,332	25,821
Less: Expenses						
Acquisition cost	216,795	6,205	223,000	52,412	121,269	34,959
Administration expenses	62,501	8,457	70,958	21,179	41,718	13,305
Total management cost	279,296	14,662	293,958	73,591	162,987	48,264
Excess of (expenditure)/over income	(84,299)	(6,659)	(90,958)	(34,957)	(69,655)	(22,443)
Add : Technical reserves at the beginning of the period	-	-	-	-	-	-
Less : Technical reserves at the end of the period	-	-	-	-	-	-
	-	-	-	-	-	-
Surplus / (Deficit)	(84,299)	(6,659)	(90,958)	(34,957)	(69,655)	(22,443)
Movement in technical reserves	-	-	-	-	-	-
Capital Contribution during the period	81,500	500	82,000	34,000	70,500	16,000
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	2,347	8,198
Balance of OSF at the end of the period	5,300	(2,108)	3,192	1,755	3,192	1,755

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

28.5 Statement of Contribution

For the six months period ended June 30, 2022

Statutory Funds		Six months ended		Quarter ended	
		Aggregate		Aggregate	
Individual Family Takaful	Group Family Takaful	June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)
-----Rupees in '000-----					
Gross Contributions					
Regular contributions individual family takaful*					
- First year		230,559	-	230,559	46,097
- Second year		22,772	-	22,772	548
- Subsequent year renewal		348	-	348	-
Single Contribution individual family takaful		26,035	-	26,035	19,225
Group family takaful contribution without cash value		-	38,334	38,334	8,199
Total Gross Contributions		279,714	38,334	318,048	74,069
Participants' Investment Fund					
Allocated regular contribution		66,406	-	66,406	12,456
Allocated single contribution		24,793	-	24,793	18,264
		91,199	-	91,199	30,720
Less: Retakaful Contribution Ceded					
On individual first year business		545	-	545	776
On individual second year business		94	-	94	-
On individual renewal business		59	-	59	-
On group family takaful		-	24,452	24,452	5,076
Net Contributions		187,817	13,882	201,699	37,497
				95,042	24,786

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

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

28.6 Statement of Claims

For the six months period ended June 30, 2022

	Statutory Funds		Six months ended		Quarter ended	
	Individual Family Takaful	Group Family Takaful	Aggregate June 30, 2022 (Un-Audited)	Aggregate June 30, 2021 (Un-Audited)	Aggregate June 30, 2022 (Un-Audited)	Aggregate June 30, 2021 (Un-Audited)
Rupees in '000						
Gross claims						
Participants' Takaful Fund (PTF)						
Claims under individual family takaful (PTF)						
- by death	-	-	-	-	-	-
- by covered event other than death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	-	-	-	-	-	-
Total gross individual family takaful claims	-	-	-	-	-	-
Claims under group family takaful						
- by death	-	22,517	22,517	2,000	19,389	1,000
- by covered event other than death	-	1,309	1,309	194	1,861	264
Total group family takaful claims	-	23,826	23,826	2,194	21,250	1,264
Total Gross Claims	-	23,826	23,826	2,194	21,250	1,264
Participants' Investment Fund (PIF)						
Claims under individual family takaful						
- by death	-	-	-	-	-	-
- by covered event other than death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	9,179	-	9,179	48	4,908	48
Total gross individual family takaful claims	9,179	-	9,179	48	4,908	48
Participants' Takaful Fund (PTF)						
Claims under individual family takaful						
- by death	1,919	-	1,919	200	-	200
- by covered event other than death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	-	-	-	-	-	-
Total gross individual family takaful claims	1,919	-	1,919	200	-	200
Less: Retakaful recoveries						
On individual family takaful first year claims	1,419	-	1,419	-	2,838	-
On individual family takaful second year claims	-	-	-	-	-	-
On individual family takaful renewal claims	-	-	-	-	-	-
On group takaful claims	-	18,789	18,789	1,480	17,045	800
Net Claims	9,679	5,037	14,716	962	11,951	712

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

28.7 Statement of Expenses

For the six months period ended June 30, 2022

	Six months ended				Quarter ended	
	Statutory funds		Aggregate	Aggregate	Aggregate	Aggregate
	Individual Family Takaful	Group Family Takaful	June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)
Operators' Sub Fund						
-----Rupees in '000-----						
Acquisition costs						
Remuneration to takaful intermediaries on individual family takaful:						
- Commission on first year contributions	157,372	-	157,372	27,972	80,307	19,570
- Commission on second year contributions	2,452	-	2,452	66	1,267	66
- Commission on subsequent renewal contributions	12	-	12	-	12	-
- Other benefits to takaful intermediaries	-	-	-	-	-	-
	159,836	-	159,836	28,038	81,586	19,636
Remuneration to takaful intermediaries on group family takaful:						
- Commission	-	4,322	4,322	2,535	2,539	1,227
Other acquisition costs:						
Employee benefit cost	38,034	1,318	39,352	14,277	24,041	9,557
Depreciation on right of use asset	91	12	103	-	15	-
Advertisements and sales promotion	8,419	-	8,419	2,679	6,222	1,296
Vehicle running expenses	1,006	174	1,180	938	672	645
Depreciation on property and equipment	918	126	1,044	900	574	472
Repair and maintenance	787	-	787	462	621	311
Travel and conveyance	713	102	815	254	482	156
Finance charges on lease liability against right of use asset	-	-	-	95	-	51
Electricity, gas and water	600	-	600	281	504	198
Ijara rental	519	90	609	377	354	279
Postage, telegrams and telephone	480	26	506	438	333	293
Entertainment	350	3	353	239	171	144
Stamp duty	2,540	31	2,571	361	1,235	293
Rent, rates and taxes	2,239	-	2,239	283	1,737	230
Printing and stationery	258	1	259	181	182	136
Insurance	-	-	-	58	-	21
Fees, subscription and periodicals	-	-	-	-	-	-
Legal and professional charges	-	-	-	-	-	-
Bank charges	5	-	5	16	1	14
Miscellaneous	-	-	-	-	-	-
	56,959	1,883	58,842	21,839	37,144	14,096
Total acquisition cost	216,795	6,205	223,000	52,412	121,269	34,959
Administration expenses						
Employee benefit cost	37,131	4,990	42,121	12,137	24,525	7,590
Advertisements and sales promotion	1,660	227	1,887	639	383	539
Depreciation on right of use asset	2,141	293	2,434	-	1,401	-
Vehicle running expenses	2,660	364	3,024	640	1,952	384
Travel and conveyance	594	81	675	197	340	141
Repair and maintenance	3,948	541	4,489	1,408	2,715	873
Depreciation on property and equipment	1,872	256	2,128	1,513	1,200	977
Postage, telegrams and telephone	1,704	233	1,937	498	1,533	330
Printing and stationery	3,090	423	3,513	723	2,310	449
Finance charges on lease liability against right of use asset	359	49	408	282	211	192
Entertainment	422	58	480	100	311	54
Ijara rental	633	87	720	290	421	156
Rent, rates and taxes	80	11	91	54	159	2
Electricity, gas and water	564	77	641	163	119	131
Insurance	977	134	1,111	356	722	322
Fees, subscription and periodicals	132	18	150	25	37	15
Miscellaneous	231	23	254	108	144	90
Money ceded to Waqf Fund	-	-	-	-	-	-
Amortisation of intangible assets	111	15	126	96	72	59
Bank charges	289	41	330	53	307	36
Annual supervision fee SECP	362	50	412	94	63	21
Legal and professional charges	1,203	165	1,368	114	1,310	83
Appointed actuary fees	1,138	156	1,294	437	745	268
Auditors' remuneration	277	38	315	202	213	68
Shariah Advisor Fee	923	127	1,050	1,050	525	525
Director meeting fee	-	-	-	-	-	-
	62,501	8,457	70,958	21,179	41,718	13,305
Gross management expenses	279,296	14,662	293,958	73,591	162,987	48,264

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

28.8 Statement of Investment Income
For the six months period ended June 30, 2022

		Six months ended		Quarter ended	
Statutory fund		Aggregate	Aggregate	Aggregate	Aggregate
Individual Family Takaful	Group Family Takaful	June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)
-----Rupees in '000-----					
Participants' Investment Fund (PIF)					
On government securities		2,264	-	2,095	113
On other fixed income securities and deposits		1,287	-	181	97
Dividend income		3,785	-	2,576	234
Amortization of discount relative to par		-	-	-	-
(Loss)/ gain on sale of investments		86	-	86	-
Unrealised (loss) / gain on investments		-	-	-	-
Net investment income of PIF	a	7,422	-	4,938	444
Participants' Takaful Fund (PTF)					
On government securities		3	243	246	17
On other fixed income securities and deposits		92	501	61	34
Dividend income		-	425	64	38
Amortization of discount/(premium)		-	-	-	-
(Loss)/ gain on sale of investments		-	-	-	-
Unrealised (loss) / gain on investments		-	-	-	-
Net investment income of PTF	b	95	1,169	157	89
Operators' Sub Fund (OSF)					
On government securities		371	-	355	-
On other fixed income securities and deposits		445	54	214	60
Dividend income		-	-	-	-
Amortization of discount/(premium)		-	-	-	-
(Loss)/ gain on sale of investments		-	-	-	-
Unrealised (loss) / gain on investments		-	-	-	-
Net investment income of OSF	c	816	54	569	60
Net investments income	(a+b+c)	8,333	1,223	6,323	593

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

29 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Following are the assets which are either measured at fair value or where fair value is only disclosed and is different from their carrying value:

June 30, 2022

Government securities
 Listed securities
 Open end mutual funds

Level 1	Level 2	Level 3	Total
-	890,674	-	890,674
8,029	-	-	8,029
117,905	-	-	117,905
125,934	890,674	-	1,016,608

December 31, 2021

Government securities
 Listed securities
 Open end mutual funds
 Term deposit receipts

-	736,706	-	736,706
9,188	-	-	9,188
82,785	-	-	82,785
48,800	-	-	48,800
140,773	736,706	-	877,479

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

30 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:

		June 30, 2022 (Un-Audited)	June 30, 2021 (Un-Audited)
		----- (Rupees in '000) -----	
Relationship	Transactions		
Holding company	Premium revenue	1,203	604
Holding company	Insurance benefits	1,500	-
Holding company	Advance received against equity	200,000	-
Associated undertaking	Premium revenue	19,179	10,756
Associated undertaking	Insurance benefits	39,050	9,467
Associated undertaking	Expenses and acquisition cost	7,435	2,551
Key Management Personnel	Remuneration	31,801	21,958
Gratuity Fund	Expenses	7,038	5,991
Directors	Fee	350	390
Related Party	Balances	June 30, 2022 (Un-Audited)	December 31, 2021 (Audited)
Holding Company			
Army Welfare Trust	Due from insurance contract holders	1,445	241
Army Welfare Trust	Advance against equity	300,000	100,000
Associated undertakings			
Askari Guards Limited	Due from insurance contract holders	3,137	4,992
Mobil Askari Pakistan Limited	Due from insurance contract holders	20	13
Askari Fuels	Due from insurance contract holders	533	6
Askari Woolen Mills	Due from insurance contract holders	291	39
Askari Development Holding Pvt Limited	Due from insurance contract holders	617	4
AWT Investment	Due from insurance contract holders	28	549
Askari Chartered Aviation Services (ACS)	Due from insurance contract holders	52	2
Askari Enterprises	Due from insurance contract holders	-	-
Fauji Security Services	Due from insurance contract holders	4,221	1,155
MEDASK	Due from insurance contract holders	17	-
Real Estate (Head Office)	Due from insurance contract holders	775	390
AWT Housing Scheme Lahore	Due from insurance contract holders	-	-
AWT Housing Scheme Peshawar	Due from insurance contract holders	-	-
AWT Housing Scheme Sang Jani	Due from insurance contract holders	-	-
AWT Housing Scheme Karachi	Due from insurance contract holders	2	2

224

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

Askari Lagoon - FSD	Due from insurance contract holders	-	4
AWT Plaza Staff	Due from insurance contract holders	2	142
Blue Lagoon	Due from insurance contract holders	465	609
Blue Lagoon - Faisalabad	Due from insurance contract holders	-	-
Askari General Insurance Company Limited	Due from insurance contract holders	-	55
Askari General Insurance Company Limited	Due to insurance contract holders	667	-
AWT Housing Scheme - Lahore	Due to insurance contract holders	1	1
Army Welfare Sugar Mills	Due to insurance contract holders	17	17
Askari Shoes	Due to insurance contract holders	1	627
Askari Farms & Seeds Products	Due to insurance contract holders	-	7
Askari Farms & Seeds Products	Due to insurance contract holders	-	25
Jolidays	Other loans and receivables	-	3,555
Askari Guards Limited	Outstanding claims	17,891	9,394
Fauji Security Services	Outstanding claims	4,800	2,400
Army Welfare Sugar Mills	Outstanding claims	1,250	650
Blue Lagoon	Outstanding claims	600	-
Askari Fuels	Outstanding claims	2,400	1,200
Askari General Insurance Company Limited	Outstanding claims	-	17
Askari Shoes	Outstanding claims	-	-
Askari Travel & Tours	Accrued expenses	-	180
Askari General Insurance Company Limited	Accrued expenses	-	604
Payable to CEO	Accrued expenses	3,214	-
Gratuity payable to staff	Staff retirement benefits	29,447	23,470
East West Insurance Company Limited	Equity investments	604	583

31 GENERAL

Figures have been rounded off to the nearest thousand.






32 CORRESPONDING FIGURE

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

33 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Company on

24 AUG 2022

Chief Financial Officer **Chief Executive Officer** **Director** **Director** **Chairman**

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

Building # D-110, 6th Road,
Near Total Petrol Pump, Satellite Town,
Rawalpindi.
Email: rdc.islamabad@askarilife.com

Contact No:

UAN : 021-111 -225- 275