



Your Security - Our Policy

Quarterly Report March 31, 2019 (Un-Audited)

Crescent Star Insurance Ltd.

ESTD: 1957

NATION WIDE BRANCH NETWORK

MOTOR

HEALTH

FIRE

MARINE

ENGG

TRAVEL

LIVESTOCK

CROP

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Company Vision

- To serve with excellence.
- Excellence achieved through our corporate mission.
- The brand name of CSI with a vision to expand with prudent approach and provide the Insurance Service to Pakistan Industry on sound footing.

Company Mission

- First and foremost to secure the interest of our policy holders by adopting proper risk management techniques, prudent financial planning and maintaining reinsurance arrangements with world-class reinsurers.
- To ensure profitability to our reinsurers who afford us underwriting capacity.
- To recognize human resources as the key element in progress and to provide our officers and field force due recompense for their efforts in building up the company.
- To generate operational profits and dividend return for our shareholders of the Company.

Values

- Integrity
- Transparency
- Passion
- Team Work
- Corporate Social Responsibility

Company Information

Board of Directors	Mr. Naim Anwar (Chief Executive Officer) Dr. Fahim Lashkarwala Ms. Shaiyanne Malik Mr. Tanveer Ahmed Mr. Suhail Elahi* Mr. Rashid Malik*
Chief Executive Officer	Mr. Naim Anwar
Management	Mr. Naim Anwar (Chief Executive Officer) Mr. Tanveer Ahmed (Resident Director) Mr. Suhail Elahi (Resident Director) Mr. Malik Mehdi Muhammad (CFO & Company Secretary)
Board Audit Committee	Dr. Fahim Lashkarwala (Chairman) Mr. Tanveer Ahmed Ms. Shaiyanne Malik
Board H.R & Remuneration Committee	Mr. Tanveer Ahmed (Chairman) Mr. Naim Anwar Ms. Shaiyanne Malik
Board Investment Committee	Mr. Naim Anwar (Chairman) Dr. Fahim Lashkarwala Mr. Tanveer Ahmed
Chief Financial Officer & Company Secretary	Mr. Malik Mehdi Muhammad
Auditors	Grant Thornton Anjum Rahman Chartered Accountants
Legal Advisor	Uzma Anwar
Bankers	Habib Bank Limited Faysal Bank Limited United Bank Limited
Share Registrar	F. D. Registrar (SMC-Pvt.) Limited Office No. 1705, 17th Floor, Saima Trade Tower – A I. I. Chundrighar Road, Karachi Tel #: 35478192-93 / 32271906 Fax #: 32621233
Registered & Head Officer	2 nd Floor, Nadir House I. I. Chundrigar Road P.O. BOX No. 4616, Karachi

*subject to Sound and prudent approval from the SECP.

UNCONSOLIDATED

Financial Statements
for the Period Ended
March 31, 2019

Directors' Report to the Members on Condensed Interim Unconsolidated Financial Information

On behalf of the Board of Directors, I am pleased to present to you the unaudited unconsolidated financial statements for the three months ended 31 March 2019.

General Review

The gross premium written for the first quarter of the year has been Rs. 23.190 million as compared to Rs. 34.503 million for the corresponding figures last year. The net premium for the first quarter has been recorded as Rs. 25.074 million against Rs. 24.092 million of the corresponding period. Profit after tax recorded at Rs. 8.511 million. Earnings per share stood at Rs. 0.08.

Performance Highlights

The comparative financial highlights for the first quarter ended 31 March 2019 and 2018 are presented below:-

Rupees in millions (except for EPS)	31 March	31 March	Increase / (Decrease)	
	2019	2018	Amount	%
Gross written premium	23.190	34.503	(11.313)	(33)
Net premium	25.074	24.092	0.982	4
Profit before tax	8.825	1.335	7.490	561
Profit after tax	8.511	1.034	7.477	723
Total assets	1,191.276	1,310.992	(119.716)	9
Paid-up capital	1,076.950	1,076.950	-	-
Earnings per share (EPS) Rs.	0.08	0.01	0.07	700

Future Outlook

The Company intends to expand the core business and has taken steps to enter the more developing individual client market. Technology backed products have been developed and will be introduced in 2019. The management expects to make the Investment Portfolio active for earning after the expected merger of CSF with and into PICIC, which is pending before the Honorable Sindh High Court for approval of the SCHEME OF ARRANGEMENT, which once approved will benefit your Company in the investment side. The management also expects to gain from the new strategy of the subsidiary to move towards EXPRESS UNITS, by reducing the store sizes and high rentals costs.

Acknowledgments

The Directors of your Company would like to take this opportunity to thank Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange, Insurance Association of Pakistan, State Bank of Pakistan, the Banks and Financial Institutions and to all the stakeholders for their continued support and cooperation.

Tanveer Ahmed
Director

Naim Anwar
Managing Director & CEO

Karachi: April 30, 2019

ممبران کے لئے غیر اشتمال شدہ مالیاتی گوشواروں پر ڈائریکٹران کی رپورٹ

میں بورڈ آف ڈائریکٹر کی جانب سے میں کریسٹنٹ اسٹار انشورنس لمیٹڈ کے مجموعی مالیاتی گوشوارے برائے سہ ماہی مدت 31 مارچ 2019 پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔

عمومی جائزہ

سال کی پہلی سہ ماہی مدت کا مجموعی خام پربیم 23.190 ملین روپے ریکارڈ ہوا جبکہ گزشتہ سال 34.503 ملین روپے تھا۔ خالص پربیم 25.074 ملین روپے رہا جبکہ گزشتہ سال 24.092 ملین روپے تھا بعد از ٹیکس منافع 8.511 ملین روپے رہا۔ فی حصص آمدنی 0.08 پیسے پر رہی۔

کارکردگی کی جھلکیاں

کمپنی کی متقابلہ مالیاتی جھلکیاں برائے سہ ماہی مدت 31 مارچ 2019 درج ذیل ہیں:

روپے ملین (ماسوائے EPS)	31 مارچ 2019	31 مارچ 2018	رقم	اضافہ / (کمی)
خام پربیم	23.190	34.503	(11.313)	(33)%
خالص پربیم	25.074	24.092	0.982	4%
منافع قبل از ٹیکس	8.825	1.335	7.490	561%
منافع بعد از ٹیکس	8.511	1.034	7.477	723%
اداشدہ سرمایہ	1,076.950	1,076.950	-	-
کل اثاثے	1,191.276	1,310.992	(119.716)	9%
منافع فی حصص	0.08	0.01	0.07	700%

مستقبل کی پیش بینی

کمپنی کا ارادہ ہے کہ اپنے بنیادی کار بار انشورنس میں توسیع کرے اور اسی لئے ایسے اقدامات کر رہی ہے جس سے وہ ترقی پذیر انفرادی کلائنٹ کی مارکیٹ میں داخل ہو جائے۔ کمپنی کو توقع ہے کہ CSF کی PICIC میں اور اس کے ساتھ الحاق سرمایہ کاری کے پورٹ فولیو کی آمدنی کے لئے متحرک بنائے گی جو کہ اہتمامی اسکیم کی عدالت عالیہ سندھ سے منظوری کی وجہ سے زیر التوا ہے جس کے منظور ہوتے ہی سرمایہ کاری کے لحاظ سے کمپنی کو فائدہ ہوگا۔ انتظامیہ کو توقع ہے کہ ذیلی کمپنی کے ایکسپریس یونٹوں کو کم کرایہ جاتی لاگتوں اور اسٹور کے سائز میں کمی لا کر دوسری جگہ پر منتقل کرنے کی نئی حکمت عملی سے فوائد حاصل ہوں گے۔

اعتراف

کمپنی کے ڈائریکٹران اس موقع پر سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج، انشورنس ایسوسی ایشن آف پاکستان، اسٹیٹ بینک آف پاکستان، بینکوں اور مالیاتی اداروں کے مسلسل تعاون اور مدد پر ان کی شکر گزار ہے۔

نعیم انور

مینجنگ ڈائریکٹر اینڈ سی ای او

تنویر احمد

ڈائریکٹر

کراچی: 30 اپریل 2019

Crescent Star Insurance Limited
Condensed Interim Unconsolidated Statement of Financial Position
As at March 31, 2019

		31 March 2019 (Un-audited)	31 December 2018 (Audited)
		------(Rupees)-----	
ASSETS	Note		
Property and equipment	7	18,999,782	19,781,655
Intangible assets	8	1,205,662	1,571,970
Investments in subsidiaries	9	150,019,600	150,019,600
Investments	10		
Equity securities		15,889,781	15,558,992
Loans and other receivables	11	771,118,269	754,322,286
Insurance / reinsurance receivable			
Premium due but unpaid	12	147,728,350	153,519,309
Amounts due from other insurers / reinsurers		744,144	-
Reinsurance recoveries against outstanding claims		2,595,202	2,595,202
Deferred commission expense		6,052,042	6,293,238
Prepayments		3,239,524	2,792,024
Cash and bank	13	73,683,269	73,138,810
Total assets		1,191,275,625	1,179,593,086
EQUITY AND LIABILITIES			
Capital and reserves attributable to			
Company's equity holders			
Ordinary share capital		1,076,950,410	1,076,950,410
Discount on issue of right shares		(199,650,000)	(199,650,000)
Reserves	14	56,063,965	49,856,855
Total equity		933,364,375	927,157,265
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		61,881,682	60,680,433
Unearned premium reserves		46,444,488	48,328,460
Premium deficiency reserves		312,615	-
Borrowings		5,861,646	6,427,350
Premium received in advance		1,523,596	1,793,455
Other creditors and accruals	15	138,061,442	131,647,209
Unclaimed dividend		418,209	418,209
Taxation - provision less payments		3,407,572	3,140,705
Total liabilities		257,911,250	252,435,821
Total equity and liabilities		1,191,275,625	1,179,593,086
Contingencies and commitments	16		

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

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)
For the period ended March 31, 2019

		31 March 2019	31 March 2018
		----- (Rupees) -----	
	Note		
Net insurance premium	17	25,073,728	24,092,339
Net insurance claims	18	(4,544,201)	6,064,169
Premium deficiency		(312,615)	1,313,595
Net commission and other acquisition costs	19	(2,840,880)	(3,740,484)
Insurance claims and other acquisition expense		(7,697,696)	3,637,280
Management expenses		(23,938,466)	(34,902,978)
Underwriting results		(6,562,434)	(7,173,359)
Investment income	20	2,634,794	625,655
Other income		13,881,999	8,711,649
Other expenses		(918,760)	(651,747)
Results of operating activities		9,035,599	1,512,198
Finance costs		(211,062)	(176,735)
Profit before tax		8,824,537	1,335,463
Taxation		(313,422)	(301,154)
Profit after tax		8,511,115	1,034,309
Other Comprehensive Income / (Loss)			
Unrealized gain on available for sale investments during the period - net of tax		330,789	181,724
Reclassification adjustments relating to available for sale investments - net		(2,634,794)	-
Other comprehensive income for the period		(2,304,005)	181,724
Total comprehensive income for the period		6,207,110	1,216,033
Earning per share	21	0.08	0.01

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

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Unconsolidated Cash Flow Statement (Un-audited)
For the period ended March 31, 2019

	31 March 2019	31 March 2018
Note ----- (Rupees) -----		
Operating cash flows		
(a) Underwriting activities		
Insurance Premium received	28,710,856	28,940,008
Reinsurance premium paid	(744,144)	(17,400)
Claims paid	(3,342,952)	(8,157,359)
Commission paid	(2,599,684)	(4,375,121)
Management expenses paid	(17,294,813)	33,917,330
Net cash flow from underwriting activities	4,729,263	50,307,458
(b) Other operating activities		
Income tax paid	(46,555)	(184,446)
Other operating payments	(3,361,483)	(42,055,614)
Net cash outflow from other operating activities	(3,408,038)	(42,240,060)
Total cash flow from all operating activities	1,321,225	8,067,398
Investment activities		
Profit / return received	-	972,258
Dividend received	2,634,794	-
Proceeds from / (payments for) investments	(2,634,794)	(10,000,001)
Fixed capital expenditure	-	(3,797,410)
Proceeds from sale of property and equipment	-	2,527,000
Total cash flow from investing activities	-	(10,298,153)
Financing activities		
Proceeds from issuance for shares	-	104,350
Finance costs paid	(211,062)	(176,735)
Borrowing under Musharaka arrangements obtained - net	(565,704)	2,818,850
Total cash from financing activities	(776,766)	2,746,465
Net cash flow from all activities	544,459	515,710
Cash and cash equivalents at beginning of year	73,138,810	57,570,630
Cash and cash equivalents at end of period	73,683,269	58,086,340
Reconciliation to unconsolidated profit and loss account		
Operating cash flows	1,321,225	8,067,398
Depreciation expense	(781,873)	(1,269,704)
Amortization expense	(366,309)	-
Gain/ (loss) on disposal of property and equipments	-	208,968
Dividend income	2,634,794	-
Other investment and other income	-	625,655
Finance costs	(211,062)	(176,735)
Increase in assets other than cash	11,955,471	56,988,428
(Decrease) / increase in liabilities other than borrowings	(5,774,264)	(63,292,993)
Provision for taxation	(266,867)	(116,708)
Profit after taxation for the period	8,511,115	1,034,309

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

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Unconsolidated Statement of Changes in Equity (Un-audited)
For the period ended March 31, 2019

	Attributable to equity holder of the Company						
	Share capital	Discount on issue of right shares	Capital reserves	Revenue reserves		Surplus on remeasurement of available for sale investments	Total shareholders' equity Restated
	Issued, subscribed and paid-up share capital		Reserve for exceptional losses	General reserve	Unappropriated profit		
	(Rupees)						
Balance as at January 01, 2018	826,833,330	(199,650,000)	1,767,568	24,497,265	84,059,628	-	737,507,791
Effect of change in accounting policy net of tax.	-	-	-	-	-	2,108,166	2,108,166
Balance as at January 01, 2018 as restated	826,833,330	(199,650,000)	1,767,568	24,497,265	84,059,628	2,108,166	739,615,957
Issue of right shares at par	250,117,080	-	-	-	-	-	250,117,080
Profit after tax for the period	-	-	-	-	1,034,309	-	1,034,309
Other comprehensive income for the period	-	-	-	-	-	181,724	181,724
Balance as at March 31, 2018	1,076,950,410	(199,650,000)	1,767,568	24,497,265	85,093,937	2,289,890	990,949,070
Balance as at January 01, 2019	1,076,950,410	(199,650,000)	1,767,568	24,497,265	20,962,220	2,629,802	927,157,265
Profit after tax for the period	-	-	-	-	8,511,115	-	8,511,115
Other comprehensive income for the period	-	-	-	-	-	(2,304,005)	(2,304,005)
Balance as at March 31, 2019	1,076,950,410	(199,650,000)	1,767,568	24,497,265	29,473,335	325,797	933,364,375

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

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

1 STATUS AND NATURE OF BUSINESS

Crescent Star Insurance Limited (the Company) was incorporated in Pakistan as a Public Limited Company in the year 1957 under the Companies Act, 1913 (now the Companies Act, 2017). The Company is listed on the Pakistan Stock Exchange and its registered office is situated at 2nd Floor, Nadir House, I.I. Chundrigar road, Karachi, Pakistan.

The Company is engaged in providing non-life general insurance services mainly in spheres of Fire and property damage, Marine, aviation and transport, Motor, Credit & suretyship, Accident & health and Miscellaneous.

2 BASIS OF PREPARATION

The disclosures made in these condensed interim unconsolidated financial statements have, however, been limited based on a format prescribed by the Securities and Exchange Commission of Pakistan vide S.R.O. 89(I)2017 and International Accounting Standard 34 - Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and these condensed interim unconsolidated financial statements should be read in conjunction with the annual unconsolidated financial statements of the Company for the year ended December 31, 2018.

3 STATEMENT OF COMPLIANCE

These condensed interim unconsolidated financial statements of the Company for the three months period ended March 31, 2019 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000 and Insurance Rules, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017, Insurance Ordinance, 2000 and Insurance Rules, 2017 shall prevail.

4 BASIS OF MEASUREMENT

These condensed interim unconsolidated financial statements have been prepared under historical cost convention except for certain investments which are stated at their fair values. Accrual basis of accounting has been used except for cash flow information.

These are separate condensed interim unconsolidated financial statements of the Company in which investments in subsidiaries are accounted for on the basis of cost of investment rather than on the basis of reported results. Consolidated financial statements of the Company are prepared and presented separately.

5 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim unconsolidated financial information is in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim unconsolidated financial statements, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual unconsolidated financial statements as at and for the year ended December 31, 2018.

6 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the annual unconsolidated financial statements for the year ended December 31, 2018. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual unconsolidated financial statements of the Company for the year ended December 31, 2018.

Crescent Star Insurance Limited
Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)
For the period ended March 31, 2019.

			31 March 2019 (Un-audited)	31 December 2018 (Audited)
	Note		----- (Rupees) -----	
7	PROPERTY AND EQUIPMENT			
		Operating assets	18,999,782	21,738,159
7.1	Operating assets			
		Opening written down value	19,781,655	21,738,159
		Add: Additions during the period / year - at cost		
		- Motor vehicles	-	5,996,210
		- Computers and related accessories	-	139,150
		- Office equipment	-	155,000
		- Furniture and fixtures	-	215,600
			-	6,505,960
		Less: Written down value of deletions	-	(4,586,228)
		Depreciation for the period / year	(781,873)	(3,876,236)
			(781,873)	(8,462,464)
			18,999,782	19,781,655
8	INTANGIBLE ASSETS			
		Computer software	1,571,970	3,015,913
		Less: amortizaion for the period / year	(366,308)	(1,443,943)
			1,205,662	1,571,970
9	INVESTMENTS IN SUBSIDIARIES - at cost			
		Holdings		
		Crescent Star Foods (Private) Limited	50%	149,999,660
		Crescent Star Technologies (Private) Limited	99%	9,970
		Crescent Star luxury (Private) Limited	99%	9,970
			150,019,600	150,019,600
10	INVESTMENTS			
		Equity securities	15,889,781	15,558,992
		Debt securities	-	-
10.1	Equity securities			
		Available-for-sale	15,889,781	15,558,992
10.1.1	Others			
		Listed shares	116,839	53,673
		Mutual funds	15,772,942	15,505,319
			15,889,781	15,558,992
10.1.1.1	Investment in Dost Steels Limited, a related party represents 7,020 shares (2018: 7,020 shares) having book value of Rs. 32,002 (2018: Rs. 32,002) and market value of Rs. 35,942 (2018: Rs. 70,621) with 0.002% (2018: 0.002%) of total equity of that company.			
10.1.1.2	Securities having book value of Rs. 14.366 million (2018: Rs. 11.731 million) and market value of Rs. 15.301 million (2018: Rs. 14.184 million) are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of se (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.			

Crescent Star Insurance Limited
Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)
For the period ended March 31, 2019.

			31 March 2019 (Un-audited)	31 December 2018 (Audited)
	Note		----- (Rupees) -----	
11	LOAN AND OTHER RECEIVABLES			
		Security deposits	5,600,962	5,645,962
		Advance to employees	214,102	265,233
		Advance against expenses	260,000	260,000
	11.1	Accrued interest on advance against issuance of shares	118,936,866	106,348,503
	11.2	Advance against issuance of shares	633,731,516	631,582,849
		Others	12,374,823	10,219,739
			<u>771,118,269</u>	<u>754,322,286</u>
11.1	This represents accrued interest on advances against issue of shares given to Dost Steels Limited (a related party). Movement in advances is as follows:			
	Movement			
		Balance as at beginning of the year	106,348,503	66,582,917
		Income for the period / year	12,588,363	39,765,586
		Balance at the end of the period / year	<u>118,936,866</u>	<u>106,348,503</u>
11.2	This represents advances against issue of shares given to the following related parties:			
	Name of the Company			
	11.2.1	Dost Steels Limited	354,279,066	354,279,066
		Crescent Star Foods (Private) Limited - Subsidiary	201,667,010	200,839,163
		Crescent Star Luxury (Private) Limited - Subsidiary	71,453,703	70,132,883
		Crescent Star Technologies (Private) Limited - Subsidiary	6,331,737	6,331,737
			<u>633,731,516</u>	<u>631,582,849</u>
11.2.1	It carries markup @ 1 year KIBOR plus 3% p.a.			
12	PREMIUMS DUE BUT UNPAID		147,728,350	153,519,309
	It includes amount of Rs. 11,410,788 (2018: Rs. 11,410,788) due from related parties.			
13	CASH AND BANK			
	Cash and other equivalents			
	13.1	Cash with State Bank of Pakistan	72,238,046	72,238,047
		Cash in hand	107,776	89,637
		Policy and revenue stamps	827,777	728,028
			<u>73,173,599</u>	<u>73,055,712</u>
	Cash at bank			
		Current accounts	809,665	383,092
	13.2	Savings accounts	22,424	22,424
			832,089	405,516
		Less: provision against dormant accounts	(322,419)	(322,419)
			<u>509,670</u>	<u>83,097</u>
			<u>73,683,269</u>	<u>73,138,809</u>
13.1	This represents deposit with State Bank of Pakistan pursuant to the requirements of clause (a) of sub - section 2 of section 29 of Insurance Ordinance, 2000.			
13.2	These carry mark-up at the rate of 6.5% (2018: 5.5%) per annum.			

Crescent Star Insurance Limited
Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)
For the period ended March 31, 2019.

	31 March 2019 (Un-audited) ----- (Rupees) -----	31 December 2018 (Audited) -----
14 RESERVES		
Capital reserves		
Reserve for exceptional losses	1,767,568	1,767,568
Revenue reserves		
General reserve	24,497,265	24,497,265
Unappropriated profit	29,473,335	20,962,220
Surplus on remeasurement of available for sale investments	325,797	2,629,802
	<u>56,063,965</u>	<u>49,856,855</u>
15 OTHER CREDITORS AND ACCRUALS		
Federal insurance fees	832,777	604,511
Federal excise duty	25,564,251	22,716,366
Margin against performance bonds	1,907,241	3,900,841
Payable to staff provident fund	2,995,337	3,045,546
Withholding tax	51,988,652	51,059,610
Accrued expenses	27,843,280	25,187,989
Unpresented cheques	1,088,764	1,140,419
Others	25,841,140	23,991,927
	<u>138,061,442</u>	<u>131,647,209</u>
16 CONTINGENCIES AND COMMITMENTS		
16.1 CONTINGENCIES		
The status of contingencies remain unchanged as disclosed in the annual unconsolidated financial statements as of December 31, 2018.		
	31 March 2019 (Un-audited) ----- (Rupees) -----	31 December 2018 (Audited) -----
16.2 COMMITMENTS		
Post dated cheques	<u>5,861,646</u>	<u>6,427,350</u>

	31 March 2019 (Un-audited)	31 March 2018 (Un-audited)
	----- (Rupees) -----	
17 NET INSURANCE PREMIUM		
Gross written premium	23,189,756	34,502,944
Add : Unearned contribution reserve opening	48,328,460	55,822,934
Less: Unearned contribution reserve closing	(46,444,488)	(60,622,481)
Premium earned	25,073,728	29,703,397
Less: Reinsurance premium ceded	-	6,083,010
Add: prepaid reinsurance premium ceded opening	-	10,842,633
Less: prepaid reinsurance premium ceded closing	-	(11,314,585)
Reinsurance expense	-	5,611,058
	25,073,728	24,092,339
18 NET INSURANCE CLAIMS EXPENSE		
Claim paid	3,342,952	8,157,359
Add : Outstanding claims including IBNR closing	61,881,682	52,200,507
Less: Outstanding claims including IBNR opening	(60,680,433)	(66,422,035)
Claims expense	4,544,201	6,064,169
Less: Reinsurance and others recoveries received	-	-
Less: Reinsurance and others recoveries in respect of outstanding claims closing	(2,595,202)	(2,595,202)
Add: Reinsurance and others recoveries in respect of outstanding claims opening	2,595,202	2,595,202
Reinsurance and recoveries revenue	-	-
	4,544,201	6,064,169
19 NET COMMISSION EXPENSE		
Commission paid or payable	2,599,684	4,375,121
Add : Deferred commission expense opening	6,293,238	6,807,589
Less: Deferred commission expense closing	(6,052,042)	(7,442,226)
Net commission expense	2,840,880	3,740,484
20 INVESTMENT INCOME		
Income from equity securities		
Available for sale financial assets		
Dividend income	2,634,794	-
Gain on sale of available for sale investments	-	-
	2,634,794	-
Income from debt securities		
Held to maturity		
Return on debt securities	-	625,655
	-	625,655
Less: Investment related expenses	-	-
Investment income	2,634,794	625,655

	31 March 2019 (Un-audited)	31 March 2018 (Un-audited)
	----- (Rupees) -----	
21 EARNINGS PER SHARE - BASIC AND DILUTED		
Profit after tax for the period	<u>8,511,115</u>	<u>1,034,309</u>
	----- Number -----	
Weighted average number of Ordinary shares	<u>107,695,041</u>	<u>99,357,805</u>
	----- (Rupees) -----	
Earnings per share - basic and diluted	<u>0.08</u>	<u>0.01</u>

- 21.1** No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

22 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of group companies, directors and their close family members its staff retirement funds, key management personnel and major shareholders of the Company. The associated companies are associated either based on its holding in equity or due to the same management and / or common directors. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes.

Balances, including subsidiaries, are disclosed in relevant notes to these unconsolidated financial statements. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated financial statements, are as follows:

	31 March 2019 (Un-audited)	31 March 2018 (Un-audited)
	----- (Rupees) -----	
22.1 Subsidiary Companies		
Crescent Star Foods (Private) Limited		
Advance against issuance of shares	827,847	28,974,320
Crescent Star Luxury (Private) Limited		
Advance against issuance of shares	1,320,820	7,028,198
22.2 Dost Steels Limited		
Markup on advance given	12,588,363	8,502,681
Remuneration to Key Management Personnel	4,774,500	6,785,040
Staff retirement benefits		
Provident fund contribution	444,108	627,354
Markup on outstanding balance of provident fund	109,209	-

24 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements have been approved by the Board of Directors of the Company and are authorised for issue on April 30, 2019.

25 Figures in these condensed interim unconsolidated financial statements have been rounded off to the nearest rupee, unless otherwise stated.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

CONSOLIDATED
Financial Statements
for the Period Ended
March 31, 2019

Directors' Report to the Members on Consolidated Condensed Interim Financial Information:

On behalf of the Board of Directors, I am pleased to present the condensed Interim consolidated financial statements of Crescent Star Insurance Limited and its subsidiaries, Crescent Star Foods (Private) Limited, Crescent Star Technologies (Private) Limited and Crescent Star Luxury (Private) Limited for the three months ended March 31, 2019.

The condensed interim consolidated financial information reflects Rs. 0.05 (March 31, 2018: Rs. (0.32)) earnings per share for the period under review.

The following appropriation of profit has been recommended by the Board of Directors:

	March 31, 2019	March 31, 2018
	----- Rupees -----	
Profit / (loss) before tax	4,351,911	(31,027,524)
Provision for taxation	581,664	(519,084)
Profit / (loss) after tax	4,933,575	(31,546,608)
Profit / (loss) attributable to non-controlling interest	(685,354)	(7,950,477)
Profit / (loss) attributable to ordinary shareholders	5,618,929	(23,596,131)
Loss per share	0.05	(0.32)

The Directors of your Company would like to take this opportunity to thank all the stakeholders for their continued support and cooperation.

Tanveer Ahmed
Director

Naim Anwar
Managing Director & CEO

Karachi: April 30, 2019

اشتمال شدہ مالیاتی گوشواں پر ڈائریکٹران کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے میں کریڈٹ اسٹار انشورنس لمیٹڈ اور ذیلی کمپنیوں کریڈٹ اسٹار گزری (پرائیویٹ) لمیٹڈ، کریڈٹ اسٹار فوڈز (پرائیویٹ) لمیٹڈ اور کریڈٹ اسٹار ٹیکنالوجیز (پرائیویٹ) لمیٹڈ کے مختتمہ مالیاتی گوشوارے برائے سہ ماہی مدت 31 مارچ 2019 پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔

یہ متوسط معلومات زیر جائزہ مدت کے لئے 0.05 روپے (31 مارچ 2018) کو (0.32) روپے) منافع فی حصص ظاہر کیا گیا ہے۔

بورڈ آف ڈائریکٹرز نے منافع کے مندرجہ ذیل مصارف کی سفارش کی ہے:

31 مارچ 2018	31 مارچ 2019	
----- روپے -----		
(31,027,524)	4,351,911	منافع/(خسارہ) قبل از ٹیکس
(519,084)	581,664	ٹیکس کے لئے اختصاص
(31,546,608)	4,933,575	منافع/(خسارہ) بعد از ٹیکس
(7,950,477)	(685,354)	منافع/(خسارہ) ناقابل گرفت سود سے متعلق
(23,593,131)	5,618,929	منافع/(خسارہ) عمومی حصص یافتگان سے متعلق
(0.32)	0.05	منافع/(خسارہ) فی حصص

کمپنی کے ڈائریکٹران اس موقع پر تمام مستفیدان کے مسلسل تعاون اور مدد پر ان کے مشکور ہیں۔

نعیم انور
مینجنگ ڈائریکٹر اینڈ سی ای او

تنویر احمد
ڈائریکٹر

کراچی: 30 اپریل 2019

Crescent Star Insurance Limited
Condensed Interim Consolidated Statement of Financial Position
As at March 31, 2019

		31 March 2019 (Un-audited)	31 December 2018 (Audited)
		------(Rupees)-----	
ASSETS	Note		
Property and equipment	7	208,745,490	215,337,925
Intangible assets	8	49,158,054	50,172,961
Investments	9		
Equity securities		15,889,781	15,558,992
Loans and other receivables	10	524,813,228	509,973,661
Insurance / reinsurance receivable			
Premium due but unpaid	11	147,728,350	153,519,309
Amounts due from other insurers / reinsurers		744,144	-
Reinsurance recoveries against outstanding claims		2,595,202	2,595,202
Deferred commission expense		6,052,042	6,293,238
Stock-in-trade		13,632,118	14,515,761
Prepayments		3,239,524	2,792,024
Cash and bank	12	74,083,832	73,396,297
Total assets		1,046,681,765	1,044,155,370
EQUITY AND LIABILITIES			
Capital and reserves attributable to to Holding Company's equity holders			
Ordinary share capital		1,076,950,410	1,076,950,410
Discount on issue of right shares		(199,650,000)	(199,650,000)
Reserves	13	(200,942,888)	(204,257,812)
Attributable to the owners of the Holding Company		676,357,522	673,042,598
Non-controlling interest		(12,081,917)	(11,396,563)
Total shareholders' equity		664,275,605	661,646,035
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		61,881,682	60,680,433
Unearned premium reserves		46,444,488	48,328,460
Premium deficiency reserves		312,615	-
Deferred taxation		4,420,388	4,420,388
Borrowings		5,861,646	6,427,350
Premium received in advance		1,523,596	1,793,455
Other creditors and accruals	14	259,093,924	256,421,822
Unclaimed dividend		418,209	418,209
Taxation - provision less payments		2,449,612	4,019,218
Total liabilities		382,406,160	382,509,335
Total equity and liabilities		1,046,681,765	1,044,155,370
Contingencies and commitments	15		

The annexed notes from 1 to 24 form an integral part of these consolidated financial statements.

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)
For the period ended March 31, 2019

		31 March 2019	31 March 2018
		----- (Rupees) -----	
	Note		
Net insurance premium	16	25,073,728	24,092,339
Net insurance claims	17	(4,544,201)	6,064,169
Premium deficiency		(312,615)	1,313,595
Net commission and other acquisition costs	18	(2,840,880)	(3,740,484)
Insurance claims and other acquisition expense		(7,697,696)	3,637,280
Management expenses		(23,938,466)	(34,902,978)
Underwriting results		(6,562,434)	(7,173,359)
Sales		-	17,434,420
Cost of sales		-	(32,853,893)
Investment income	19	2,634,794	625,655
Other income		13,881,999	8,711,649
Other expenses		(5,391,386)	(17,595,261)
Results of operating activities		4,562,973	(30,850,789)
Finance costs		(211,062)	(176,735)
Profit / (loss) before tax		4,351,911	(31,027,524)
Taxation		581,664	(519,084)
Profit / (loss) after tax		4,933,575	(31,546,608)
Attributable to:			
Owners of the Holding Company		5,618,929	(23,596,131)
Non-controlling interest		(685,354)	(7,950,477)
		4,933,575	(31,546,608)
Other Comprehensive Income / (Loss)			
Unrealized gain on available for sale investments during the period - net of tax		330,789	181,724
Reclassification adjustments relating to available for sale investments - net		(2,634,794)	-
Other comprehensive income for the period		(2,304,005)	181,724
Total comprehensive income for the period		2,629,570	(31,364,884)
Earning per share	20	0.05	(0.32)

The annexed notes from 1 to 24 form an integral part of these consolidated financial statements.

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Consolidated Cash Flow Statement (Un-audited)
For the period ended March 31, 2019

	Note	31 March 2019	31 March 2018
		----- (Rupees) -----	
Operating cash flows			
(a) Underwriting activities			
Insurance Premium received		28,710,856	28,940,008
Reinsurance premium paid		(744,144)	(17,400)
Claims paid		(3,342,952)	(8,157,359)
Commission paid		(2,599,684)	(4,375,121)
Management expenses paid		(20,842,533)	31,973,220
Net cash flow from underwriting activities		1,181,543	48,363,348
(b) Other operating activities			
Proceeds from customers		-	17,434,420
Payments to suppliers		883,643	(34,795,831)
Income tax paid		(987,942)	(232,656)
Other operating payments		(1,405,068)	(4,639,840)
Net cash outflow from other operating activities		(1,509,367)	(22,233,907)
Total cash flow from all operating activities		(327,824)	26,129,441
Investment activities			
Profit / return received		-	972,258
Dividend received		2,634,794	-
Proceeds from / (payments for) investments		(2,634,794)	(10,000,000)
Fixed capital expenditure		1,792,125	(22,011,953)
Proceeds from sale of property and equipment		-	2,749,500
Total cash flow from investing activities		1,792,125	(28,290,195)
Financing activities			
Proceeds from issuance for shares		-	104,350
Finance costs paid		(211,062)	(176,735)
Borrowing under Musharaka arrangements obtained - net		(565,704)	2,818,850
Total cash from financing activities		(776,766)	2,746,465
Net cash flow from all activities		687,535	585,711
Cash and cash equivalents at beginning of year		73,396,297	69,291,048
Cash and cash equivalents at end of period		74,083,832	69,876,759
Reconciliation to unconsolidated profit and loss account			
Operating cash flows		(327,824)	26,129,441
Depreciation expense		(4,800,310)	(4,440,199)
Amortization expense		(1,014,907)	(988,225)
Gain/ (loss) on disposal of property and equipments		-	208,968
Dividend income		2,634,794	-
Other investment and other income		-	625,655
Finance costs		(211,062)	(176,735)
Increase in assets other than cash		9,115,413	21,514,592
(Decrease) / increase in liabilities other than borrowings		(2,032,135)	(74,133,677)
Provision for taxation		1,569,606	(286,428)
Profit / (loss) after taxation for the period		4,933,575	(31,546,608)

The annexed notes from 1 to 24 form an integral part of these consolidated financial statements.

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Consolidated Statement of Changes in Equity (Un-audited)
For the period ended March 31, 2019

	Attributable to equity holder of the Company								
	Share capital	Discount on issue of right shares	Capital reserves	Revenue reserves		Surplus on remeasurement of available for sale investments	Attributable to the owners of the Holding Company	Non-controlling interest	Total shareholders' equity restated
	Issued, subscribed and paid-up share capital		Reserve for exceptional losses	General reserve	Unappropriated profit				
	(Rupees)								
Balance as at January 01, 2018	826,833,330	(199,650,000)	1,767,568	24,497,265	(92,724,346)	-	560,723,817	(6,942,401)	553,781,416
Effect of change in accounting policy net of tax.	-	-	-	-	-	2,108,166	2,108,166	-	2,108,166
Balance as at January 01, 2018 as restated	826,833,330	(199,650,000)	1,767,568	24,497,265	(92,724,346)	2,108,166	562,831,983	(6,942,401)	555,889,582
Issue of right shares at par	250,117,080	-	-	-	-	-	250,117,080	-	250,117,080
Transaction with owners									
Further acquisition by holding company	-	-	-	-	-	-	-	(10,000,000)	(10,000,000)
Total comprehensive loss for the period	-	-	-	-	(23,596,131)	181,724	(23,414,407)	(7,950,477)	(31,364,884)
Balance as at March 31, 2018	1,076,950,410	(199,650,000)	1,767,568	24,497,265	(116,320,477)	2,289,890	789,534,656	(24,892,878)	764,641,778
Balance as at January 01, 2019	1,076,950,410	(199,650,000)	1,767,568	24,497,265	(233,152,447)	2,629,802	673,042,598	(11,396,563)	661,646,035
Total comprehensive income for the period	-	-	-	-	5,618,929	(2,304,005)	3,314,924	(685,354)	2,629,570
Balance as at March 31, 2019	1,076,950,410	(199,650,000)	1,767,568	24,497,265	(227,533,518)	325,797	676,357,522	(12,081,917)	664,275,605

The annexed notes from 1 to 24 form an integral part of these consolidated financial statements.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

1 STATUS AND NATURE OF BUSINESS

The Group Consists of:

Name of the Company	Status in the Group	Percentage of holding	Acquisition date
Crescent Star Insurance Limited	Holding Company	-	
Crescent Star Foods (Private) Limited	Subsidiary Company	50%	June 30, 2016
Crescent Star Technologies (Private) Limited	Subsidiary Company	99.7%	February 23, 2016
Crescent Star Luxury (Private) Limited	Subsidiary Company	99.7%	December 15, 2016

- Crescent Star Insurance Limited

Crescent Star Insurance Limited (the Holding Company) was incorporated in Pakistan as a Public Limited Company in the year 1957 under the Companies Act, 1913 (now the Companies Act, 2017). The Holding Company is listed on the Pakistan Stock Exchange and its registered office is situated at 2nd Floor, Nadir House, I.I. Chundrigar road, Karachi, Pakistan.

The Holding Company is engaged in providing non-life general insurance services mainly in spheres of Fire and property damage, Marine, aviation and transport, Motor, Credit & Suretyship, Accident & Health and Miscellaneous.

- Crescent Star Foods (Private) Limited

Crescent Star Foods (Private) Limited (the Subsidiary Company) is a private limited company incorporated on February 20, 2015 in Pakistan under the Companies Ordinance, 1984 (now the Companies Act, 2017). The registered office of the company is located at 2nd floor, Nadir House, I.I. Chandigarh Road, Karachi, Pakistan. The Subsidiary Company has the business objective of running the Fast Food Restaurants throughout Pakistan and other ancillary activities.

- Crescent Star Technologies (Private) Limited

Crescent Star Technologies (Private) Limited (the Subsidiary Company) was incorporated in Pakistan as a private limited company on February 23, 2016 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The object of the Subsidiary Company is to carry on business of vehicle tracking, fleet management services including supply and installation/trading of devices based on various technologies such as GPS and GSM. Its registered office is located at 2nd Floor, Nadir House, I.I Chundrigar Road, Karachi.

- Crescent Star Luxury (Private) Limited

Crescent Star Luxury (Private) Limited (the Subsidiary Company) was incorporated in Pakistan as a private limited company on December 15, 2016 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The object of the Subsidiary Company is to carry on business of beauty, skincare products and fashion accessories as permissible under the law and such other allied business. Its registered office is located at 2nd Floor, Nadir House, I.I Chundrigar Road, Karachi.

2 BASIS OF PREPARATION

The disclosures made in these condensed interim consolidated financial statements have, however, been limited based on a format prescribed by the Securities and Exchange Commission of Pakistan vide S.R.O. 89(I)2017 and International Accounting Standard 34 - Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended December 31, 2018.

3 STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements of the Company for the three months period ended March 31, 2019 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000 and Insurance Rules, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017, Insurance Ordinance, 2000 and Insurance Rules, 2017 shall prevail.

4 BASIS OF MEASUREMENT

These condensed interim consolidated financial statements have been prepared under historical cost convention except for certain investments which are stated at their fair values. Accrual basis of accounting has been used except for cash flow information.

5 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim consolidated financial information is in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual consolidated financial statements as at and for the year ended December 31, 2018.

6 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the annual financial statements for the year ended December 31, 2018. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements of the Company for the year ended December 31, 2018.

Crescent Star Insurance Limited
Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)
For the period ended March 31, 2019.

			31 March 2019 (Un-audited)	31 December 2018 (Audited)
	Note		----- (Rupees) -----	
7	PROPERTY AND EQUIPMENT			
		Operating fixed assets	163,432,819	168,233,129
		Capital work-in-progress	45,312,671	47,104,796
			208,745,490	215,337,925
7.1	Operating assets			
		Opening written down value	168,233,129	157,881,652
		Add: Additions during the period / year - at cost		
		- Motor vehicles	-	5,996,210
		- Computers and related accessories	-	626,898
		- Office equipment	-	155,000
		- Leasehold improvements	-	11,846,550
		- Furniture and fixtures	-	17,616,691
			-	36,241,349
		Less: Written down value of deletions	-	(6,509,868)
		Depreciation for the period / year	(4,800,310)	(19,380,004)
			(4,800,310)	(25,889,872)
			163,432,819	168,233,129
8	INTANGIBLE ASSETS			
		Goodwill at acquisition	28,742,849	28,742,849
		Franchise	16,512,711	17,424,573
		Computer software	3,902,494	4,005,539
			49,158,054	50,172,961
9	INVESTMENTS			
		Equity securities	15,889,781	15,558,992
		Debt securities	-	-
9.1	Equity securities			
		Available-for-sale	15,889,781	15,558,992
9.1.1	Others			
		Listed shares	116,839	53,673
		Mutual funds	15,772,942	15,505,319
			15,889,781	15,558,992
9.1.1.1	Investment in Dost Steels Limited, a related party represents 7,020 shares (2018: 7,020 shares) having book value of Rs. 32,002 (2018: Rs. 32,002) and market value of Rs. 35,942 (2018: Rs. 70,621) with 0.002% (2018: 0.002%) of total equity of that company.			
9.1.1.2	Securities having book value of Rs. 14.366 million (2018: Rs. 11.731 million) and market value of Rs. 15.301 million (2018: Rs. 14.184 million) are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of se (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.			

Crescent Star Insurance Limited
Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)
For the period ended March 31, 2019.

			31 March 2019 (Un-audited)	31 December 2018 (Audited)
	Note		----- (Rupees) -----	
10	LOAN AND OTHER RECEIVABLES			
		Deposits	17,431,638	16,566,169
		Advance to employees	214,102	265,233
		Advance against expenses	260,000	260,000
		Advance to supplier	10,022,591	15,423,550
	10.1	Accrued interest on advance against issuance of shares	118,936,866	106,348,503
	10.2	Advance against issuance of shares	354,279,066	354,279,066
		Others	23,668,965	16,831,140
			<u>524,813,228</u>	<u>509,973,661</u>
10.1	This represents accrued interest on advances against issue of shares given to Dost Steels Limited (a related party). Movement in advances is as follows:			
	Movement			
		Balance as at beginning of the year	106,348,503	66,582,917
		Income for the period / year	12,588,363	39,765,586
		Balance at the end of the period / year	<u>118,936,866</u>	<u>106,348,503</u>
10.2	This represents advances against issue of shares given to Dost Steels Limited, a related party. It carries markup @ 1 year KIBOR plus 3% p.a.			
11	PREMIUMS DUE BUT UNPAID		147,728,350	153,519,309
	It includes amount of Rs. 11,410,788 (2018: Rs. 11,410,788) due from related parties.			
12	CASH AND BANK			
		Cash and other equivalents		
	12.1	Cash with State Bank of Pakistan	72,238,046	72,238,047
		Cash in hand	457,854	231,987
		Policy and revenue stamps	827,777	728,028
			<u>73,523,677</u>	<u>73,198,062</u>
		Cash at bank		
		Current accounts	860,150	498,230
	12.2	Savings accounts	22,424	22,424
			882,574	520,654
		Less: provision against dormant accounts	(322,419)	(322,419)
			<u>560,155</u>	<u>198,235</u>
			<u>74,083,832</u>	<u>73,396,297</u>
12.1	This represents deposit with State Bank of Pakistan pursuant to the requirements of clause (a) of sub - section 2 of section 29 of Insurance Ordinance, 2000.			
12.2	These carry mark-up at the rate of 6.5% (2018: 5.5%) per annum.			

Crescent Star Insurance Limited
Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)
For the period ended March 31, 2019.

	31 March 2019 (Un-audited)	31 December 2018 (Audited)
	----- (Rupees) -----	
13 RESERVES		
Capital reserves		
Reserve for exceptional losses	1,767,568	1,767,568
Revenue reserves		
General reserve	24,497,265	24,497,265
Unappropriated profit	(227,533,518)	(233,152,447)
Surplus on remeasurement of available for sale investments	325,797	2,629,802
	<u>(200,942,888)</u>	<u>(204,257,812)</u>
14 OTHER CREDITORS AND ACCRUALS		
Trade and related payables	47,250,117	49,784,744
Federal insurance fees	832,777	604,511
Federal excise duty	25,564,251	22,716,366
Margin against performance bonds	1,907,241	3,900,841
Payable to staff provident fund	2,995,337	3,045,546
Withholding tax	51,993,652	68,544,628
Accrued expenses	27,989,880	69,264,643
Unpresented cheques	1,088,764	4,928,142
Others	99,471,905	33,632,401
	<u>259,093,924</u>	<u>256,421,822</u>
15 CONTINGENCIES AND COMMITMENTS		
15.1 CONTINGENCIES		
The status of contingencies remain unchanged as disclosed in the annual consolidated financial statements as of December 31, 2018.		
	31 March 2019 (Un-audited)	31 December 2018 (Audited)
	----- (Rupees) -----	
15.2 COMMITMENTS		
Post dated cheques	<u>5,861,646</u>	<u>6,427,350</u>

	31 March 2019 (Un-audited)	31 March 2018 (Un-audited)
	----- (Rupees) -----	
16 NET INSURANCE PREMIUM		
Gross written premium	23,189,756	34,502,944
Add : Unearned contribution reserve opening	48,328,460	55,822,934
Less: Unearned contribution reserve closing	(46,444,488)	(60,622,481)
Premium earned	25,073,728	29,703,397
Less: Reinsurance premium ceded	-	6,083,010
Add: prepaid reinsurance premium ceded opening	-	10,842,633
Less: prepaid reinsurance premium ceded closing	-	(11,314,585)
Reinsurance expense	-	5,611,058
	25,073,728	24,092,339
17 NET INSURANCE CLAIMS EXPENSE		
Claim paid	3,342,952	8,157,359
Add : Outstanding claims including IBNR closing	61,881,682	52,200,507
Less: Outstanding claims including IBNR opening	(60,680,433)	(66,422,035)
Claims expense	4,544,201	6,064,169
Less: Reinsurance and others recoveries received	-	-
Less: Reinsurance and others recoveries in respect of outstanding claims closing	(2,595,202)	(2,595,202)
Add: Reinsurance and others recoveries in respect of outstanding claims opening	2,595,202	2,595,202
Reinsurance and recoveries revenue	-	-
	4,544,201	6,064,169
18 NET COMMISSION EXPENSE		
Commission paid or payable	2,599,684	4,375,121
Add : Deferred commission expense opening	6,293,238	6,807,589
Less: Deferred commission expense closing	(6,052,042)	(7,442,226)
Net commission expense	2,840,880	3,740,484
19 INVESTMENT INCOME		
Income from equity securities		
Available for sale financial assets		
Dividend income	2,634,794	-
Gain on sale of available for sale investments	-	-
	2,634,794	-
Income from debt securities		
Held to maturity		
Return on debt securities	-	625,655
	-	625,655
Less: Investment related expenses	-	-
Investment income	2,634,794	625,655

	31 March 2019 (Un-audited)	31 March 2018 (Un-audited)
	----- (Rupees) -----	
20 EARNINGS PER SHARE - BASIC AND DILUTED		
Profit after tax for the period	<u>4,933,575</u>	<u>(31,546,608)</u>
	----- Number -----	
Weighted average number of Ordinary shares	<u>107,695,041</u>	<u>99,357,805</u>
	----- (Rupees) -----	
Earnings per share - basic and diluted	<u>0.05</u>	<u>(0.32)</u>

20.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

21 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of group companies, directors and their close family members its staff retirement funds, key management personnel and major shareholders of the Company. The associated companies are associated either based on its holding in equity or due to the same management and / or common directors. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes.

Balances, including investments in associates, are disclosed in relevant notes to these financial statements. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	31 March 2019 (Un-audited)	31 March 2018 (Un-audited)
	----- (Rupees) -----	
21.1 Dost Steels Limited		
Markup on advance given	12,588,363	8,502,681
Remuneration to Key Management Personnel	4,774,500	6,785,040
Staff retirement benefits		
Provident fund contribution	444,108	627,354
Markup on outstanding balance of provident fund	109,209	-

22 SEGMENT INFORMATION

For the three months period ended March 31, 2019

Current period	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total	Food	Technologies	Luxury	Aggregate
	(Rupees)										
Gross written premium (inclusive of administrative surcharges)	714,628	1,102,833	13,266,845	-	7,802,766	302,684	23,189,756	-	-	-	23,189,756
Insurance premium earned	873,841	1,604,081	14,261,645	-	7,537,786	796,375	25,073,728	-	-	-	25,073,728
Insurance premium ceded to reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net insurance premium	873,841	1,604,081	14,261,645	-	7,537,787	796,375	25,073,728	-	-	-	25,073,728
Commission income	-	-	-	-	-	-	-	-	-	-	-
Net underwriting income	873,841	1,604,081	14,261,645	-	7,537,787	796,375	25,073,728	-	-	-	25,073,728
Insurance claims	(10,000)	(717,000)	(1,251,310)	122,537	(2,338,856)	(349,572)	(4,544,201)	-	-	-	(4,544,201)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net claims	(10,000)	(717,000)	(1,251,310)	122,537	(2,338,856)	(349,572)	(4,544,201)	-	-	-	(4,544,201)
Commission expense	(136,276)	(379,144)	(1,404,980)	-	(795,683)	(124,797)	(2,840,880)	-	-	-	(2,840,880)
Management expense	(738,118)	(1,118,629)	(13,918,974)	-	(305,932)	(7,856,813)	(23,938,466)	-	-	-	(23,938,466)
Premium deficiency reversal / (expense)	-	(312,615)	-	-	-	-	(312,615)	-	-	-	(312,615)
Net insurance claims and expenses	(884,394)	(2,527,388)	(16,575,264)	122,537	(3,440,471)	(8,331,182)	(31,636,162)	-	-	-	(31,636,162)
Underwriting results	(10,553)	(923,307)	(2,313,619)	122,537	4,097,316	(7,534,807)	(6,562,434)	-	-	-	(6,562,434)
Sales	-	-	-	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	2,634,794	-	-	-	2,634,794
Other income	-	-	-	-	-	-	13,881,999	-	-	-	13,881,999
Other expenses	-	-	-	-	-	-	(918,760)	(2,252,472)	(2,223,252)	3,098	(5,391,386)
Result of operating activities	-	-	-	-	-	-	9,035,599	(2,252,472)	(2,223,252)	3,098	4,562,973
Finance costs	-	-	-	-	-	-	(211,062)	-	-	-	(211,062)
Profit before tax for the period	-	-	-	-	-	-	8,824,537	(2,252,472)	(2,223,252)	3,098	4,351,911

For the three months period ended March 31, 2018

Prior period	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total	Food	Technologies	Luxury	Aggregate
	(Rupees)										
Gross written premium (inclusive of administrative surcharges)	2,364,615	2,812,864	20,347,421	-	5,153,014	3,825,030	34,502,944	-	-	-	34,502,944
Insurance premium earned	2,449,945	1,444,424	16,017,732	735,088	5,360,697	3,695,511	29,703,397	-	-	-	29,703,397
Insurance premium ceded to reinsurers	(1,659,959)	(408,164)	(1,273,313)	-	(1,198,770)	(1,070,852)	(5,611,058)	-	-	-	(5,611,058)
Net insurance premium	789,986	1,036,260	14,744,419	735,088	4,161,927	2,624,659	24,092,339	-	-	-	24,092,339
Commission income	-	-	-	-	-	-	-	-	-	-	-
Net underwriting income	789,986	1,036,260	14,744,419	735,088	4,161,927	2,624,659	24,092,339	-	-	-	24,092,339
Insurance claims	11,171,401	1,192,285	(6,452,005)	2,071,554	-	(1,919,066)	6,064,169	-	-	-	6,064,169
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net claims	11,171,401	1,192,285	(6,452,005)	2,071,554	-	(1,919,066)	6,064,169	-	-	-	6,064,169
Commission expense	(527,195)	(371,581)	(1,215,243)	(36,754)	(436,792)	(1,152,919)	(3,740,484)	-	-	-	(3,740,484)
Management expense	(2,108,084)	(2,498,586)	(22,358,733)	-	(4,558,184)	(3,379,391)	(34,902,978)	-	-	-	(34,902,978)
Premium deficiency reversal / (expense)	1,367,890	(54,295)	-	-	-	-	1,313,595	-	-	-	1,313,595
Net insurance claims and expenses	9,904,012	(1,732,177)	(30,025,981)	2,034,800	(4,994,976)	(6,451,376)	(31,265,698)	-	-	-	(31,265,698)
Underwriting results	10,693,998	(695,917)	(15,281,562)	2,769,888	(833,049)	(3,826,717)	(7,173,359)	-	-	-	(7,173,359)
Sales	-	-	-	-	-	-	-	17,388,278	-	46,142	17,434,420
Cost of sales	-	-	-	-	-	-	-	(32,766,586)	-	(87,307)	(32,853,893)
Net investment income	-	-	-	-	-	-	625,655	-	-	-	625,655
Other income	-	-	-	-	-	-	8,711,649	-	-	-	8,711,649
Other expenses	-	-	-	-	-	-	(651,747)	(12,753,561)	(48,084)	(4,141,869)	(17,595,261)
Result of operating activities	-	-	-	-	-	-	1,512,198	(28,131,869)	(48,084)	(4,183,034)	(30,850,789)
Finance costs	-	-	-	-	-	-	(176,735)	-	-	-	(176,735)
Profit before tax for the period	-	-	-	-	-	-	1,335,463	(28,131,869)	(48,084)	(4,183,034)	(31,027,524)

23 DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements have been approved by the Board of Directors of the Company and are authorised for issue on April 30, 2019.

24 Figures in these condensed interim consolidated financial statements have been rounded off to the nearest rupee, unless otherwise stated.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

HEAD OFFICE

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KARACHI CENTRAL	3RD FLOOR, NADIR HOUSE, I.I. CHUNDRIGR ROAD, KARACHI.	(021) 32415471-3
LAHORE MAIN	81-Y COMMERCIAL BLOCK, D.H.A. PHASE III, LAHORE.	042-35694719-20
LAHORE CENTRAL	81-Y COMMERCIAL BLOCK, D.H.A. PHASE III, LAHORE.	042-35694719-20
ISLAMABAD	FLAT # 01, 4TH FLOOR, ARIES TOWER / MARRIYAM HALL, SHAMSABAD, MUREE ROAD, RAWALPINDI.	0312-5595674
CAPITAL BRANCH ISLAMABAD	FLAT # 01, 4TH FLOOR, ARIES TOWER / MARRIYAM HALL, SHAMSABAD, MUREE ROAD, RAWALPINDI.	0312-5595674
FAISALABAD	MEZZANINE FLOOR MZ-7, 22 & 23, PEARL CITY TOWERS MANAGEMENT, SARGODHA ROAD, FAISALABAD.	0321-7824144
MULTAN	OPP: HAJVERI ARCADE, KUTCHERY ROAD, MULTAN.	(061) 4571338
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