



Quarterly Report September 30, 2018 (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 Mr. Nadeem Ansar Ms. Shaiyanne 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) Mr. Tahir Hussain Qureshi (Country Head Sales) Mr. Hanaish Kumar (Head of Internal Audit)
Board Audit Committee	Dr. Fahim Lashkarwala (Chairman)
Board H.R & Remuneration Committee	Mr. Naim Anwar
Board Investment Committee	Mr. Naim Anwar (Chairman) Dr. Fahim Lashkarwala
C F O & 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

UNCONSOLIDATED

Financial Statements
for the Period Ended
September 30, 2018

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

On behalf of the Board of Directors, I am pleased to present to you the unaudited condensed interim unconsolidated financial statements for the nine months period ended 30 September 2018.

General Review

The gross premium written for the nine months period has been Rs. 91.617 million as compared to Rs. 79.690 million for the corresponding figures last year. The net premium for the period has been recorded at Rs. 81.588 million against Rs. 89.997 million of the corresponding period. The Loss after tax recorded at Rs. 11.525 million. Loss per share stood at Rs. 0.11. Due to the impact of unearned premium net revenue growth is negative whereas gross premium has grown by 15%. This will reflect positively in later accounting periods. The EPS reflects the issuance of new shares, while paid up capital has grown by 30% and assets by 7%.

The Company is actively following the merger application of its Food subsidiary subject to approval of the Honorable High Court of Sindh. This is expected to reflect on the Company's financial strength.

Performance Highlights

The comparative financial highlights for the nine months period ended 30 September 2018 and 2017 are presented below:-

Rupees in millions (except for EPS)	30 September	30 September	Increase / (Decrease)	
	2018	2017	Amount	%
Gross written premium	91.617	79.690	11.927	15
Net premium	81.588	89.997	(8.409)	(9)
(Loss) / profit before tax	(10.505)	109.344	(119.849)	(110)
(Loss) / profit after tax	(11.525)	90.323	(101.848)	(113)
Total assets	1,274.539	1,193.659	80.880	7
Paid-up capital	1,076.950	826.833	250.117	30
Earnings per share (EPS)	(0.11)	1.09	(1.200)	(110)

Future Outlook

I am pleased to inform that the Company is on the track of growth. The breakup value of the Company is Rs. 9.08/share. The merger of Food subsidiary will hopefully open door to equity investments and add value to investment portfolio. The Company is actively but carefully enhancing its core business of insurance through modern technology methods of sale.

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.

Naim Anwar
Chief Executive Officer
Karachi: October 27, 2018

ڈائریکٹرز کی رپورٹ برائے غیر اشتمال شدہ اختصاری عبوری مالیاتی نتائج

بورڈ آف ڈائریکٹرز کی جانب سے میں اختصاری عبوری غیر اشتمال شدہ غیر آڈٹ شدہ مالیاتی گوشوارے برائے مدت تختتمہ 30 ستمبر 2018ء پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔

عمومی جائزہ

نوماہی مدت کے دوران خام پریمیم 91.617 ملین روپے رہا جو کہ گزشتہ سال اسی مدت میں 79.690 ملین روپے تھا۔ خالص پریمیم 81.588 ملین روپے ریکارڈ کیا گیا جبکہ گزشتہ اسی مدت میں 89.997 ملین روپے رہا۔ خسارہ بعد از ٹیکس 11.252 ملین روپے رہا۔ خسارہ فی حصص 0.11 روپے رہا۔ غیر اکتسابی پریمیم کے اثرات کی وجہ سے خالص محصولات منفی رہے جبکہ خام پریمیم میں 15 فیصد اضافہ ہوا۔ اس کی عکاسی اگلی مالیاتی مدتوں میں ہوگی۔ ای پی ایس سے نئے حصص کے اجراء کی عکاسی ہوتی ہے، جبکہ ادا شدہ سرمائے میں 30 فیصد اور اثاثوں میں 7 فیصد اضافہ ہوا۔

کمپنی اس وقت متحرک انداز میں اپنی ذیلی کمپنی کی ادغامی درخواست کے لئے کام کر رہی ہے جو کہ معزز عدالت عالیہ سندھ کی منظوری کے تابع ہے۔ یہ کمپنی کی مالیاتی پوزیشن کے استحکام پر اثر انداز ہوگی۔

کارکردگی کی جھلکیاں

نوماہی مدت تختتمہ 30 ستمبر 2018 اور 2017 کی مالیاتی جھلکیوں کا موازنہ درج ذیل ہے:

روپے ملین میں (سوائے ای پی ایس کے)		اضافہ/(کمی)			
30 ستمبر 2018	30 ستمبر 2017	رقم	شرح فیصد		
91.617	79.690	11.927	15	خام تحریری پریمیم	
81.588	89.997	(8.409)	(9)	خالص پریمیم	
(10.505)	109.344	(119.849)	(110)	(خسارہ)/منافع قبل از ٹیکس	
(11.525)	90.323	(101.848)	(113)	(خسارہ)/منافع بعد از ٹیکس	
1,274.539	1,193.659	80.880	7	کل اثاثے	
1,076.950	826.833	250.117	30	ادا شدہ سرمایہ	
(0.11)	1.09	(1.200)	(110)	فی حصص منافع (ای پی ایس)	

مستقبل کی پیش بینی

میں یہ بتاتے ہوئے خوشی محسوس کر رہا ہوں کہ آپ کی کمپنی ترقی کے راستے پر گامزن ہے۔ کمپنی کی بریک اپ ویلیو 9.08 روپے فی حصص ہے۔ ذیلی کمپنی کے ادغام سے امید ہے کہ ایکویٹی سرمایہ کاری کے دروازے کھلیں گے اور ہماری سرمایہ کاری کے پورٹ فولیو کی قدر بڑھ جائے گی۔ کمپنی متحرک لیکن محتاط انداز میں اپنے بنیادی کاروبار یعنی انشورنس میں ترقی کے لئے فروخت کے جدید تکنیکی طریقہ کار استعمال کر رہی ہے۔

اعتراف

اس موقع پر آپ کی کمپنی کے ڈائریکٹران سکیورٹیز اینڈ انویسٹمنٹ کمپنیشن آف پاکستان، پاکستان اسٹاک ایکسچینج، انشورنس ایسوسی ایشن آف پاکستان، اسٹیٹ بینک آف پاکستان، بینکوں و مالیاتی اداروں اور تمام مستفیدان کی مسلسل تائید اور تعاون پر ان کے مشکور ہیں۔

نعیم انور

چیف ایگزیکٹو آفیسر

کراچی: 27 اکتوبر 2018

Crescent Star Insurance Limited
Condensed Interim Unconsolidated Statement of Financial Position
As at September 30, 2018

		September 30, 2018 (Un-audited)	(Restated) December 31, 2017 (Audited)
	Note	----- (Rupees) -----	
ASSETS			
Property and equipment	7	19,667,863	21,738,159
Intangible assets	8	1,698,125	2,717,000
Investments in subsidiaries	9	150,019,600	205,019,570
Investments	10		
Equity securities		14,314,780	14,392,592
Debt securities		-	21,265,737
Loans and other receivables	11	749,613,007	649,498,385
Insurance / reinsurance receivable			
Premiums due but unpaid	12	169,439,330	165,353,427
Amounts due from other insurers / reinsurers		69,228,683	70,452,999
Reinsurance recoveries against outstanding claims		2,595,202	2,595,202
Deferred commission expense		5,641,354	6,807,589
Deferred taxation		12,829,855	12,807,290
Prepayments	13	5,711,915	12,488,782
Cash and bank	14	73,779,401	57,570,630
Total assets		1,274,539,115	1,242,707,362
EQUITY AND LIABILITIES			
Capital and reserves attributable to Company's equity holders			
Authorized share capital			
115,000,000 (2017: 115,000,000) Ordinary shares of Rs.10/- each		1,150,000,000	1,150,000,000
Ordinary share capital		1,076,950,410	826,833,330
Discount on issue of right shares		(199,650,000)	(199,650,000)
Reserves	15	100,546,082	112,126,119
Total equity		977,846,492	739,309,449
Share deposit money		-	250,012,730
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR		54,409,389	66,422,035
Unearned premium reserve		48,555,020	55,822,934
Premium deficiency reserves		197,296	1,510,891
Borrowings		4,827,896	3,694,550
Premiums received in advance		4,382,488	1,453,157
Insurance / reinsurance payables	16	53,466,269	43,135,172
Other creditors and accruals	17	128,010,937	79,158,468
Taxation - provision less payment		2,843,328	2,187,976
Total Liabilities		296,692,623	253,385,183
Total equity and liabilities		1,274,539,115	1,242,707,362
Contingencies and commitments	18		

The annexed notes from 1 to 28 form an integral part of these condensed interim 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 September 30, 2018

	Note	Three months period ended		Nine months period ended	
		September 30, 2018	(Restated) September 30, 2017	September 30, 2018	(Restated) September 30, 2017
Net insurance premium	19	29,675,133	22,349,637	81,588,392	89,996,530
Net insurance claims	20	(3,624,912)	(6,325,068)	(4,967,776)	(26,380,798)
Premium deficiency reserve reversal		-	(135,170)	1,313,595	(135,170)
Net commission and other acquisition costs	21	(4,697,077)	(2,764,473)	(14,968,456)	(11,275,576)
Insurance claims and acquisition expenses		(8,321,989)	(9,224,711)	(18,622,637)	(37,791,544)
Management expenses		(20,207,407)	(17,533,338)	(58,954,781)	(59,658,470)
Underwriting results		1,145,737	(4,408,412)	4,010,974	(7,453,484)
Investment (loss) / income	22	23,509	1,933,847	419,954	138,103,881
Other income		10,940,859	10,143,809	30,876,186	27,243,643
Other expenses		(14,672,851)	(18,569,628)	(45,398,902)	(48,270,848)
Results of operating activities		(2,562,746)	(10,900,384)	(10,091,788)	109,623,192
Finance costs		-	(90,489)	(413,147)	(278,764)
(Loss) / profit before tax		(2,562,746)	(10,990,873)	(10,504,935)	109,344,428
Income tax expense		(370,939)	1,867,219	(1,019,855)	(19,020,987)
(Loss) / profit after tax		(2,933,685)	(9,123,654)	(11,524,790)	90,323,441
Other comprehensive income:					
Fair value gain on available for sale investments during the period - net of tax		(304,583)	(345,394)	(55,247)	1,341,222
Reclassification adjustments relating to available for sale investments disposed off - net		-	-	-	(77,337,270)
Total items that may be reclassified subsequently to profit and loss		(304,583)	(345,394)	(55,247)	(75,996,048)
Total comprehensive (loss) / income		(3,238,268)	(9,469,048)	(11,580,037)	14,327,393
Earnings per share - basic and diluted	23	(0.03)	(Restated) 0.28	(0.11)	(Restated) 1.09

The annexed notes from 1 to 28 form an integral part of these condensed interim 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 September 30, 2018

	Share capital		Capital reserves		Revenue reserves		Total shareholders' equity
	Issued, subscribed and paid-up share capital	Discount on issue of right shares	Reserve for exceptional losses	Surplus on remeasurement of available for sale investments	General reserve	Unappropriated profit	
	----- (Rupees) -----						
Balance as at January 01, 2017- Audited	826,833,330	(199,650,000)	1,767,568	-	24,497,265	10,892,945	664,341,108
Effect of change in accounting policy (note 6.2.2)-net of tax	-	-	-	78,584,353	-	-	78,584,353
Balance as at January 01, 2017 as restated (note 6.2.2)	826,833,330	(199,650,000)	1,767,568	78,584,353	24,497,265	10,892,945	742,925,461
Profit after tax	-	-	-	-	-	90,323,441	90,323,441
Other comprehensive income for the period (restated - note 6.2.2)	-	-	-	(75,996,048)	-	-	(75,996,048)
Balance as at September 30, 2017 - (Un-audited)	826,833,330	(199,650,000)	1,767,568	2,588,305	24,497,265	101,216,386	757,252,854
Balance as at January 01, 2018- Audited	826,833,330	(199,650,000)	1,767,568	-	24,497,265	84,059,629	737,507,792
Effect of change in accounting policy (note 6.2.2)-net of tax	-	-	-	1,801,657	-	-	1,801,657
Balance as at January 01, 2018 as restated (note 6.2.2)	826,833,330	(199,650,000)	1,767,568	1,801,657	24,497,265	84,059,629	739,309,449
Issue of right share at par	250,117,080	-	-	-	-	-	250,117,080
(Loss) after tax	-	-	-	-	-	(11,524,790)	(11,524,790)
Other comprehensive income for the period (restated - note 6.2.2)	-	-	-	(55,247)	-	-	(55,247)
Balance as at September 30, 2018 - (Un-audited)	1,076,950,410	(199,650,000)	1,767,568	1,746,410	24,497,265	72,534,839	977,846,492

The annexed notes from 1 to 28 form an integral part of these condensed interim unconsolidated financial statements.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

Crescent Star Insurance Limited
Unconsolidated Condensed Interim Cash Flow Statement (Un-audited)
For the period ended September 30, 2018

	September 30, 2018	September 30, 2017
Note	----- (Rupees) -----	
Operating cash flows		
(a) Underwriting activities		
Premiums received	90,460,644	88,834,924
Reinsurance premiums paid	(610,608)	(13,805,177)
Claims paid	(16,980,422)	(29,891,297)
Reinsurance and other recoveries received	-	30,126
Commissions paid	(13,802,221)	(8,544,529)
Management expenses paid	(51,720,782)	(17,172,457)
Net cash inflow / (outflow) from underwriting activities	7,346,611	19,451,590
(b) Other operating activities		
Income tax paid	(364,503)	(425,682)
Other operating receipts	(69,257,275)	(106,380,022)
Loans advanced	(306,281)	(858,920)
Loans repayment received	230,365	502,022
Net cash outflow from other operating activities	(69,697,694)	(107,162,602)
Total cash (outflow) / inflow from operating activities	(62,351,083)	(87,711,012)
Investment activities		
Profit / return received	765,706	1,218,204
Dividends received	851	24,420
Proceeds from investments	76,265,708	107,534,457
Fixed capital expenditure	(4,078,960)	(6,952,230)
Proceeds from sale of property, plant and equipment	4,782,000	-
Total cash inflow from investing activities	77,735,305	101,824,851
Financing activities		
Share deposit money received	104,350	-
Borrowing under Musharaka arrangements obtained/ (paid)	1,133,346	(830,273)
Finance costs paid	(413,147)	(278,764)
Total cash inflow / (outflow) from financing activities	824,549	(1,109,037)
Net cash inflow/(outflow) from all activities	16,208,771	13,004,802
Cash at beginning of the period	57,570,630	58,368,472
Cash at end of the period	73,779,401	71,373,274
Reconciliation to profit and loss account		
Operating cash flows	(62,351,083)	(87,711,012)
Depreciation	(2,761,557)	(2,574,991)
Amortization	(1,018,875)	-
Profit on disposal of fixed assets	1,394,301	-
Profit on disposal of investments	419,954	138,103,881
Finance costs	(413,147)	(278,764)
Increase in assets other than cash	95,379,710	138,252,876
Increase in liabilities other than borrowings	(41,518,742)	(76,447,563)
Provision for taxation	(655,352)	(19,020,987)
(Loss) / profit after taxation for the period	(11,524,790)	90,323,440

The annexed notes from 1 to 28 form an integral part of these condensed interim unconsolidated financial statements.

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 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 financial statements should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2017.

3 STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Company for the nine months period ended September 30, 2018 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.

During the period, the Company has changed format for preparation of its condensed interim unconsolidated financial statements to comply with the requirements of the 'Insurance Rules, 2017' issued by SECP vide its S.R.O. 89(1) / 2017 dated 09 February 2017. In line with the requirements provided in the Rules, accordingly these are the first set of unconsolidated condensed interim financial statement of the Company for the nine months period ended 30 September 2018.

During the period the Companies Act, 2017 has been implemented, however there is no impact on the unconsolidated condensed interim financial statement.

4 BASIS OF MEASUREMENT

These condensed interim 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 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.

5 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim 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 financial statements as at and for the year ended December 31, 2017 except for note no. 6.2.

6 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

- 6.1** 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 financial

6.2 Changes in accounting policies

6.2.1 Adoption of new Insurance Rules, 2017 and Insurance Accounting Regulations, 2017

SECP has issued the Insurance Rules, 2017 including the new Insurance Accounting Regulations, 2017 and format for the preparation of financial statements. The new Insurance Rules are effective for the current period financial statements. Under the new Insurance Rules, 2017, certain changes have been made to the presentation of the financial statements which include the following :

- Changes in the sequence of assets / liabilities in the statement of financial position;
- Discontinuation of separate statements of premium, claims, commission and investment income, which are now presented (on aggregate basis) into the notes of the financial statements (note 19, 20, 21 and 22); and
- Underwriting results in relation to various classes of business which were previously on the face of the profit and loss account are now presented in a separate note (note 25).

6.2.2 The Company has changed its accounting policy in relation to the available-for-sale investments to comply with the requirements of IAS 39 "Financial Instruments-Recognition and Measurement". These investments are now carried at fair value. Surplus/ (deficit) on revaluation from one reporting date to another is taken to other comprehensive income in the statement of comprehensive income. On derecognition or impairment in available-for-sale investments, the cumulative gain or loss previously reported in other comprehensive income is transfer to profit and loss for the period within statement of comprehensive income. Previously the investments were carried at lower of cost and market value. This change in the accounting policy has been applied retrospectively and comparative information has been restated in accordance with the requirement of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The impact of change in accounting policy are summarized below:

	December 31, 2017 (Audited)		
	Balance previously reported	Adjustment	Balance Restated
Investments			
Equity securities	11,855,047	2,537,545	14,392,592
Deferred taxation	13,543,178	(735,888)	12,807,290
Reserves (Unappropriated profit)	110,324,462	1,801,657	112,126,119

			(Un-audited) September 30, 2018	(Audited) December 31, 2017
	Note		----- (Rupees) -----	
7	PROPERTY AND EQUIPMENT			
	Operating assets	7.1	19,667,863	21,738,159
7.1	Operating assets			
	Opening written down value		21,738,159	17,736,996
	Add: Additions during the period / year - at cost			
	- Motor vehicles		3,569,210	3,340,000
	- Computers and related accessories		139,150	188,986
	- Office equipment		155,000	721,600
	- Furniture and fixtures		215,600	5,304,029
			4,078,960	9,554,615
	Less: Written down value of deletions		(3,387,699)	(2,077,090)
	Depreciation for the period / year		(2,761,557)	(3,476,362)
			(6,149,256)	(5,553,452)
			19,667,863	21,738,159
8	INTANGIBLE ASSETS			
	Computer software		2,717,000	4,075,500
	Less: amortizaion for the period / year		(1,018,875)	(1,358,500)
			1,698,125	2,717,000
9	INVESTMENTS IN SUBSIDIARIES - at cost			
		Holdings		
	Crescent Star Foods (Private) Limited	50%	149,999,660	204,999,630
	Crescent Star Technologies (Private) Limited	99%	9,970	9,970
	Crescent Star luxury (Private) Limited	99%	9,970	9,970
			150,019,600	205,019,570
10	INVESTMENTS			
	Equity securities	10.1	14,314,780	14,392,592
	Debt securities	10.2	-	21,265,737
10.1	Equity securities			
	Available-for-sale	10.1.1	14,314,780	14,392,592
10.1.1	Others			
	Listed shares	10.1.1.1	141,678	147,286
	Mutual funds	10.1.1.2	14,173,102	14,245,306
			14,314,780	14,392,592
10.1.1.1	Investment in Dost Steels Limited, an associated company represents 7,020 shares (2017: 7,020 shares) having book value of Rs. 32,002 (2017: Rs. 32,002) and market value of Rs. 45,770 (2017: Rs. 70,621) with 0.002% (2017: 0.002%) of total equity of the associated company.			
10.1.1.2	Securities having book value of Rs. 11.731 million (2017: Rs. 11.731 million) and market value of Rs. 14.173 million (2017: Rs. 14.245 million) are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.			
10.2	Debt securities			
	Held-to- maturity			
	Government securities	10.2.1	-	21,265,737
10.2.1	Government securities having amortised cost of Rs. Nil (2017: Rs. 21.265 million) are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.			

		(Un-audited) September 30, 2018	(Audited) December 31, 2017
	Note	----- (Rupees) -----	
11	LOAN AND OTHER RECEIVABLES		
Accrued investment income		-	346,603
Security deposits		6,798,962	7,239,962
Advance to employees		291,160	215,244
Advance against expenses		260,000	260,000
Accrued interest on advance against issuance of shares	11.1	94,220,469	66,582,917
Advance against issuance of shares	11.2	627,726,767	559,997,552
Others		20,315,649	14,856,107
		<u>749,613,007</u>	<u>649,498,385</u>
11.1	This represents accrued interest on advances against issue of shares given to Dost Steels Limited (an associated company). Movement in advances is as follows:		
	Movement		
Balance as at beginning of the year		66,582,917	32,099,828
Income for the year		27,637,552	34,483,089
Received during the year		-	-
Balance at the end of the year		<u>94,220,469</u>	<u>66,582,917</u>
11.2	This represents advances against issue of shares given to the following associated companies:		
	Name of the Company		
Dost Steels Limited - Associate	11.2.1	354,279,066	354,279,066
Crescent Star Foods (Private) Limited - Subsidiary		198,334,754	143,541,099
Crescent Star Luxury (Private) Limited - Subsidiary		68,781,210	55,950,860
Crescent Star Technology (Private) Limited - Subsidiary		6,331,737	6,226,527
		<u>627,726,767</u>	<u>559,997,552</u>
11.2.1	It carries markup @ 1 year KIBOR plus 3% p.a.		
12	PREMIUMS DUE BUT UNPAID	169,439,330	165,353,427
	It includes amount of Rs. 8,505,674 (2017: Rs. 4,252,837) due from related parties.		
13	PREPAYMENTS		
Prepaid reinsurance premium ceded		5,711,915	10,842,633
Prepaid rent		-	76,000
Others		-	1,570,149
		<u>5,711,915</u>	<u>12,488,782</u>
14	CASH AND BANK		
	Cash and other equivalents		
Cash with State Bank of Pakistan	14.1	72,238,047	51,238,047
Cash in hand		106,218	89,857
Policy and revenue stamps		1,087,440	688,134
		<u>73,431,705</u>	<u>52,016,038</u>
	Current and other accounts		
Current accounts		357,394	1,691,935
Profit and loss savings accounts	14.2	303,414	4,175,769
		660,808	5,867,704
Less: provision against dormant accounts		(313,112)	(313,112)
		<u>347,696</u>	<u>5,554,592</u>
		<u>73,779,401</u>	<u>57,570,630</u>
14.1	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.		
14.2	These carry mark-up at the rate of 5.5% (2017: 4%) per annum.		

	Note	(Un-audited) September 30, 2018	(Audited) December 31, 2017
		----- (Rupees) -----	
15	RESERVES		
	Capital		
	Reserve for exceptional losses	1,767,568	1,767,568
	Surplus on remeasurement of available for sale investments to fair value	1,746,410	1,801,657
	Revenue		
	General reserve	24,497,265	24,497,265
	Unappropriated profit	72,534,839	84,059,629
		<u>100,546,082</u>	<u>112,126,119</u>
16	INSURANCE / REINSURANCE PAYABLES		
	Foreign reinsurers	21,017,059	19,302,035
	Local reinsurers	23,932,674	19,670,724
	Co-insurers	8,516,536	4,162,413
		<u>53,466,269</u>	<u>43,135,172</u>
17	OTHER CREDITORS AND ACCRUALS		
	Federal insurance fees	432,663	268,114
	Federal excise duty	20,572,154	16,485,588
	Margin against performance bonds	3,900,841	3,268,504
	Payable to staff provident fund	1,846,154	433,596
	Withholding tax	49,839,737	43,045,889
	Accrued expenses	22,281,190	11,301,299
	Unclaimed dividend	418,209	418,209
	Others	28,719,989	3,937,269
		<u>128,010,937</u>	<u>79,158,468</u>
18	CONTINGENCIES AND COMMITMENTS		
18.1	CONTINGENCIES		
	The status of contingencies remain unchanged as disclosed in the annual financial statements as of December 31, 2017.		
		(Un-audited) September 30, 2018	(Audited) December 31, 2017
18.2	COMMITMENTS	----- (Rupees) -----	
	Post dated cheques	<u>8,810,502</u>	<u>3,694,550</u>

Crescent Star Insurance Limited
Notes to the Condensed Interim Unconsolidated Financial Statements (Un-audited)
For the period ended September 30, 2018

	Three months period ended		Nine months period ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
	(Un-audited)		(Un-audited)	
	----- (Rupees) -----			
19 NET INSURANCE PREMIUM				
Gross written premium	20,204,271	28,467,924	91,617,216	79,689,843
Add : Unearned contribution reserve opening	-	48,037,120	55,822,934	71,592,272
Less: Unearned contribution reserve closing	14,370,542	(50,271,029)	(48,555,020)	(50,271,029)
Premium earned	34,574,813	26,234,015	98,885,130	101,011,086
Less: Reinsurance premium ceded	-	6,750,188	12,166,020	20,250,564
Add: prepaid reinsurance premium ceded opening	-	9,647,514	10,842,633	3,277,316
Less: prepaid reinsurance premium ceded closing	4,899,680	(12,513,324)	(5,711,915)	(12,513,324)
Reinsurance expense	4,899,680	3,884,378	17,296,738	11,014,556
	29,675,133	22,349,637	81,588,392	89,996,530
20 NET INSURANCE CLAIMS EXPENSE				
Claim paid	3,236,746	6,001,282	16,980,422	29,891,297
Add : Outstanding claims including IBNR closing	388,166	67,530,797	54,409,389	67,530,797
Less: Outstanding claims including IBNR opening	-	(67,207,011)	(66,422,035)	(71,011,170)
Claims expense	3,624,912	6,325,068	4,967,776	26,410,924
Less: Reinsurance and others recoveries received	-	-	-	30,126
Less: Reinsurance and others recoveries in respect of outstanding claims closing	-	(8,552,929)	(2,595,202)	(8,552,929)
Add: Reinsurance and others recoveries in respect of outstanding claims opening	-	8,552,929	2,595,202	8,552,929
Reinsurance and recoveries revenue	-	-	-	30,126
	3,624,912	6,325,068	4,967,776	26,380,798
21 NET COMMISSION EXPENSE				
Commission paid or payable	2,667,902	3,326,833	13,802,221	8,544,529
Add : Deferred commission expense opening	-	5,186,271	6,807,589	8,479,678
Less: Deferred commission expense closing	2,029,175	(5,748,631)	(5,641,354)	(5,748,631)
Net commission expense	4,697,077	2,764,473	14,968,456	11,275,576
22 INVESTMENT INCOME				
Income from equity securities				
Available-for-sale financial assets				
Dividend income	827	24,420	851	24,420
Gain on sale of available for sale investments	-	1,925,019	-	137,605,155
	827	1,949,439	851	137,629,575
Income from debt securities				
Held to maturity				
Return on government securities	-	-	306,410	665,000
Return on bank deposits	22,682	20,755	112,693	216,096
	23,509	1,970,194	419,954	138,510,671
Net realised gain/ (loss) on investments				
Add: Reversal/ (Provision) of impairment in debt securities				
Held to maturity	-	(9,909)	-	(23,738)
Less: Investment related expenses	-	(26,438)	-	(383,052)
Investment income	23,509	1,933,847	419,954	138,103,881

	Three Months Ended		Nine Months Ended	
	September 30, 2018 (Un-audited)	September 30, 2017 (Restated)	September 30, 2018 (Un-audited)	September 30, 2017 (Restated)
----- (Rupees) -----				
23 EARNINGS PER SHARE - BASIC AND DILUTED				
(Loss) / Profit after tax for the period	<u>(2,933,685)</u>	<u>(9,123,654)</u>	<u>(11,524,790)</u>	<u>90,323,441</u>
----- Number -----				
Weighted average number of Ordinary shares	<u>107,695,041</u>	<u>82,683,333</u>	<u>104,946,502</u>	<u>82,683,333</u>
----- (Rupees) -----				
(Loss) / earnings per share - basic and diluted	<u>(0.03)</u>	<u>(0.11)</u>	<u>(0.11)</u>	<u>1.09</u>

23.1 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.

24 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of group companies; directors and their close family members; staff retirement funds; key management personnel and major shareholders of the Company. The associated companies are associated either based on 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 period, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	September 30, 2018 (Un-audited)	September 30, 2017 (Un-audited)
----- (Rupees) -----		
Subsidiary Companies		
Crescent Star Foods (Private) Limited		
Advance against issuance of shares	54,793,655	130,273,044
Crescent Star Luxury (Private) Limited		
Advance against issuance of shares	12,830,350	54,437,221
Crescent Star Technology (Private) Limited		
Advance against issuance of shares	105,210	71,000
Associated undertakings having common directorship		
Dost Steels Limited		
Markup on advance given	27,637,552	8,502,681
Remuneration to Key Management Personnel	16,756,200	26,385,932
Staff retirement benefits		
Provident fund contribution	1,920,837	1,831,254

25 SEGMENT INFORMATION

For the Nine months period ended September 30, 2018							
Current period	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total
	(Rupees)						
Gross written premium (inclusive of administrative surcharges)	6,566,867	8,477,421	47,378,787	-	17,362,736	11,831,405	91,617,216
Insurance premium earned	8,544,380	11,624,418	47,847,078	1,418,188	17,320,814	12,130,252	98,885,130
Insurance premium ceded to reinsurers	(4,295,328)	(2,656,080)	(3,046,672)	-	(4,206,589)	(3,092,069)	(17,296,738)
Net insurance premium	4,249,052	8,968,338	44,800,406	1,418,188	13,114,226	9,038,183	81,588,392
Commission income	-	-	-	-	-	-	-
Net underwriting income	4,249,052	8,968,338	44,800,406	1,418,188	13,114,226	9,038,183	81,588,392
Insurance claims	13,471,831	1,115,067	(17,731,567)	1,309,515	(934,018)	(2,198,604)	(4,967,776)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-
Net claims	13,471,831	1,115,067	(17,731,567)	1,309,515	(934,018)	(2,198,604)	(4,967,776)
Commission expense	(2,507,019)	(2,794,142)	(3,915,561)	(70,909)	(2,141,605)	(3,539,220)	(14,968,456)
Management expense	(3,452,250)	(4,440,705)	(35,988,726)	-	(8,944,575)	(6,128,525)	(58,954,781)
Premium deficiency reversal / (expense)	1,367,890	(54,295)	-	-	-	-	1,313,595
Net insurance claims and expenses	8,880,452	(6,174,075)	(57,635,854)	1,238,606	(12,020,198)	(11,866,349)	(77,577,418)
Underwriting results	13,129,504	2,794,263	(12,835,448)	2,656,794	1,094,028	(2,828,166)	4,010,974
Net investment income							419,954
Other income							30,876,186
Other expenses							(45,398,902)
Result of operating activities							(10,091,788)
Finance costs							(413,147)
Profit before tax for the period							(10,504,935)

For the Nine months period ended September 30, 2017							
Prior period	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total
	(Rupees)						
Gross written premium (inclusive of administrative surcharges)	3,629,668	6,792,847	44,512,163	2,952,518	13,112,902	8,689,745	79,689,843
Insurance premium earned	7,988,225	6,897,920	59,540,732	1,616,037	14,557,275	10,275,727	100,875,916
Insurance premium ceded to reinsurers	(976,298)	(2,568,746)	(3,528,563)	-	(2,986,391)	(954,557)	(11,014,556)
Net insurance premium	7,011,927	4,329,174	56,012,169	1,616,037	11,570,884	9,321,170	89,861,360
Commission income	-	-	-	-	-	-	-
Net underwriting income	7,011,927	4,329,174	56,012,169	1,616,037	11,570,884	9,321,170	89,861,360
Insurance claims	(117,655)	(4,082,983)	(18,169,606)	(6,716,966)	-	2,676,286	(26,410,924)
Insurance claims recovered from reinsurers	-	-	30,126	-	-	-	30,126
Net claims	(117,655)	(4,082,983)	(18,139,480)	(6,716,966)	-	2,676,286	(26,380,798)
Commission expense	(1,478,270)	(1,522,553)	(5,001,680)	61,633	(1,600,314)	(1,734,392)	(11,275,576)
Management expense	(2,223,972)	(4,124,033)	(38,173,248)	(1,855,328)	(8,030,823)	(5,251,066)	(59,658,470)
Net insurance claims and expenses	(3,819,897)	(9,729,569)	(61,314,408)	(8,510,661)	(9,631,137)	(4,309,172)	(97,314,844)
Underwriting results	3,192,030	(5,400,395)	(5,302,239)	(6,894,624)	1,939,747	5,011,998	(7,453,484)
Net investment income							138,103,881
Other income							27,243,643
Other expenses							(48,270,848)
Result of operating activities							109,623,192
Finance costs							(278,764)
Profit before tax for the period							109,344,428

26 RECLASSIFICATIONS

- 26.1 As a result of adoption of Insurance Rules, 2017 and Insurance Accounting Regulations, 2017 (note 6.2.1), corresponding figures have been rearranged whenever necessary, for purposes of comparison to the unconsolidated condensed interim financial statements as follows:

Balance Sheet

Reclassified from	Reclassified to	Note	Rupees
Prepaid reinsurance premium ceded	Prepayments	13	5,711,915
Accrued investment income	Loan and other receivable	11	-
Sundry receivables	Loan and other receivable	11	749,613,007
Other liabilities	Other creditors and accruals	17	28,719,989
Accrued expenses	Other creditors and accruals	17	22,281,190

27 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements have been approved by the Board of Directors of the Company and are authorised for issue on October 27, 2018.

- 28 Figures in these interim condensed 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
September 30, 2018

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

On behalf of the Board of Directors, I am pleased to present the consolidated condensed Interim 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 nine months period ended September 30, 2018.

The consolidated condensed interim financial information reflects Rs. 1.23 (September 30, 2017: Rs. 0.35) loss per share for the period under review.

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

Naim Anwar
Chief Executive Officer
Karachi: October 27, 2018

متوسط مالیاتی معلومات کے حوالے سے ممبران کیلئے ڈائریکٹرز کی رپورٹ: (مجموعی معلوماتی گوشوارے)
بورڈ آف ڈائریکٹرز کی جانب سے کریڈٹ اسٹار انشورنس لمیٹڈ اور الحاق شدہ ادارے کریڈٹ اسٹار فوڈز (پرائیوٹ) لمیٹڈ، کریڈٹ اسٹار ٹیکولوجیز (پرائیوٹ) لمیٹڈ اور کریڈٹ اسٹار لکشری (پرائیوٹ) لمیٹڈ کے 30 ستمبر 2018ء کو ختم ہونے والے نو ماہی کیلئے معلوماتی حسابات پیش کرتا ہوں۔

یہ متوسط معلومات زیر جائزہ مدت کے لئے 1.23 روپے کا (30 ستمبر 2017ء 0.35 روپے) نقصان فی شیئر ظاہر کیا گیا ہے۔

اس موقع پر آپ کی کمپنی کے ڈائریکٹرز تمام اسٹیک ہولڈرز کا ان کی جانب سے مکمل سپورٹ اور تعاون کے لئے شکریہ ادا کرتا ہے۔

نعیم انور

چیف ایگزیکٹو آفیسر

کراچی: 27 اکتوبر 2018ء

Crescent Star Insurance Limited
Condensed Interim Consolidated Statement of Financial Position
As at September 30, 2018

		September 30, 2018 (Un-audited)	(Restated) December 31, 2017 (Audited)
	Note	----- (Rupees) -----	
ASSETS			
Property and equipment	7	173,198,716	157,881,653
Capital work in progress		-	49,964,075
Intangible assets	8	50,984,990	53,994,270
Investments	9		
Equity securities		14,314,780	14,392,592
Debt securities		-	21,265,737
Loans and other receivables	10	555,638,922	482,224,152
Insurance / reinsurance receivable			
Premiums due but unpaid	11	169,439,330	165,353,427
Amounts due from other insurers / reinsurers		69,228,683	70,452,999
Reinsurance recoveries against outstanding claims		2,595,202	2,595,202
Deferred commission expense		5,641,354	6,807,589
Deferred taxation		5,992,245	5,969,680
Prepayments	12	6,011,916	14,653,783
Stock in trade - raw materials		21,769,071	31,815,733
Cash and bank	13	84,667,995	69,291,048
Total assets		1,159,483,204	1,146,661,940
EQUITY AND LIABILITIES			
Capital and reserves attributable to Company's equity holders			
Authorized share capital			
115,000,000 (2017: 115,000,000) Ordinary shares of Rs.10/- each		1,150,000,000	1,150,000,000
Ordinary share capital		1,076,950,410	826,833,330
Discount on issue of right shares		(199,650,000)	(199,650,000)
Reserves	14	(142,683,273)	(64,657,856)
Attributable to the owners of the Holding Company		734,617,137	562,525,474
Non-controlling interest		(2,727,571)	(6,942,401)
Total shareholders' equity		731,889,566	555,583,073
Share deposit money		-	250,012,730
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR		54,409,389	66,422,035
Unearned premium reserve		48,555,020	55,822,934
Premium deficiency reserves		197,296	1,510,891
Borrowings		4,827,896	3,694,550
Premiums received in advance		4,382,488	1,453,157
Insurance / reinsurance payables	15	53,466,269	43,135,172
Other creditors and accruals	16	258,421,626	166,438,136
Taxation - provision less payment		3,333,654	2,589,262
Total Liabilities		427,593,638	341,066,137
Total equity and liabilities		1,159,483,204	1,146,661,940
Contingencies and commitments	17		

The annexed notes from 1 to 27 form an integral part of these condensed interim 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 September 30, 2018

	Note	Three months period ended		Nine months period ended	
		September 30, 2018	(Restated) September 30, 2017	September 30, 2018	(Restated) September 30, 2017
Net insurance premium	18	29,675,133	22,349,637	81,588,392	89,996,530
Net insurance claims	19	(3,624,912)	(6,325,068)	(4,967,776)	(26,380,798)
Premium deficiency reserve reversal		-	(135,170)	1,313,595	(135,170)
Net commission and other acquisition costs	20	(4,697,077)	(2,764,473)	(14,968,456)	(11,275,576)
Insurance claims and acquisition expenses		(8,321,989)	(9,224,711)	(18,622,637)	(37,791,544)
Management expenses		(20,207,407)	(17,623,827)	(58,954,781)	(59,658,470)
Underwriting results		1,145,737	(4,498,901)	4,010,974	(7,453,484)
Sales		10,210,345	31,377,529	47,489,531	75,724,615
Cost of Sales		(30,442,837)	(131,592,421)	(117,674,608)	(157,849,897)
Investment (loss) / income	21	23,509	1,933,847	419,954	138,103,881
Other income		10,940,859	10,414,784	30,876,186	27,674,145
Other expenses		(24,844,365)	25,404,213	(91,850,726)	(78,992,394)
Results of operating activities		(32,966,752)	(66,960,949)	(126,728,689)	(2,793,134)
Finance costs		-	(90,489)	(413,147)	(278,764)
(Loss) / profit before tax		(32,966,752)	(67,051,438)	(127,141,836)	(3,071,898)
Income tax expense		(498,569)	(4,408,494)	(1,613,474)	(25,974,294)
(Loss) / profit after tax		(33,465,321)	(71,459,932)	(128,755,310)	(29,046,192)
Other comprehensive income:					
Fair value gain on available for sale investments during the period - net of tax		(304,583)	(345,394)	(55,247)	1,341,222
Reclassification adjustments relating to available for sale investments disposed off - net		-	-	-	(77,337,270)
Total items that may be reclassified subsequently to profit and loss		(304,583)	(345,394)	(55,247)	(75,996,048)
Total comprehensive (loss) / income		(33,769,904)	(71,805,326)	(128,810,557)	(105,042,240)
Attributable to:					
Owners of the Holding Company		(4,368,989)	(59,893,034)	(78,025,417)	(69,071,155)
Non-controlling interest		(29,400,915)	(11,912,292)	(50,785,140)	(35,971,085)
		(33,769,904)	(71,805,326)	(128,810,557)	(105,042,240)
Earnings per share - basic and diluted	22	(0.31)	(0.86)	(1.23)	(0.35)

The annexed notes from 1 to 27 form an integral part of these condensed interim 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 September 30, 2018

	Share capital Issued, subscribed and paid-up share capital	Discount on issue of right shares	Capital reserve		Revenue reserves		Attributable to the owners of the Holding Company	Non- controlling interest	Total shareholders' equity
			Reserve for exceptional losses	Surplus on remeasurement of available for sale investments	General reserve	Accumulated losses			
	----- Rupees -----								
Balance as at January 01, 2017 - Audited	826,833,330	(199,650,000)	1,767,568	-	24,497,265	(27,317,568)	626,130,595	80,668,773	706,799,368
Effect of change in accounting policy (note 6.2.2) - net of tax	-	-	-	78,584,353	-	-	78,584,353	-	78,584,353
Balance as at January 01, 2017 as restated (note 6.2.2)	826,833,330	(199,650,000)	1,767,568	78,584,353	24,497,265	(27,317,568)	704,714,948	80,668,773	785,383,721
At acquisition	-	-	-	-	-	-	-	30	30
<i>Transaction with owners</i>									
Advance against issue of shares	-	-	-	-	-	-	-	10,000,000	10,000,000
Other comprehensive loss for the period (restated - note 6.2.2)	-	-	-	(75,996,048)	-	6,924,893	(69,071,155)	(35,971,085)	(105,042,240)
Balance as at September 30, 2017 - (Un-audited)	<u>826,833,330</u>	<u>(199,650,000)</u>	<u>1,767,568</u>	<u>2,588,305</u>	<u>24,497,265</u>	<u>(20,392,675)</u>	<u>635,643,793</u>	<u>54,697,718</u>	<u>690,341,511</u>
Balance as at January 01, 2018 - Audited	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 (note 6.2.2) - net of tax	-	-	-	1,801,657	-	-	1,801,657	-	1,801,657
Balance as at January 01, 2018 as restated (note 6.2.2)	826,833,330	(199,650,000)	1,767,568	1,801,657	24,497,265	(92,724,346)	562,525,474	(6,942,401)	555,583,073
<i>Transaction with owners</i>									
Issue of right shares	250,117,080	-	-	-	-	-	250,117,080	-	250,117,080
Further acquisition by holding company	-	-	-	-	-	-	-	(10,000,000)	(10,000,000)
Shares disposed by holding company								64,999,970	64,999,970
Other comprehensive loss for the period (restated - note 6.2.2)	-	-	-	(55,247)	-	(77,970,170)	(78,025,417)	(50,785,140)	(128,810,557)
Balance as at September 30, 2018 - (Un-audited)	<u>1,076,950,410</u>	<u>(199,650,000)</u>	<u>1,767,568</u>	<u>1,746,410</u>	<u>24,497,265</u>	<u>(170,694,516)</u>	<u>734,617,137</u>	<u>(2,727,571)</u>	<u>731,889,566</u>

The annexed notes from 1 to 27 form an integral part of these condensed interim 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 September 30, 2018

	September 30, 2018	September 30, 2017
Note	----- (Rupees) -----	
Operating cash flows		
(a) Underwriting activities		
Premiums received	90,460,644	88,834,924
Reinsurance premiums paid	(610,608)	(13,805,177)
Claims paid	(16,980,422)	(29,891,297)
Reinsurance and other recoveries received	-	30,126
Commissions paid	(13,802,221)	(8,544,529)
Management expenses paid	(42,626,785)	(69,510,652)
Net cash inflow / (outflow) from underwriting activities	16,440,608	(32,886,605)
(b) Other operating activities		
Proceeds from customers	47,489,531	75,724,615
Payments to suppliers	(107,627,946)	(186,624,224)
Income tax paid	(869,082)	13,163
Other operating receipts	(40,692,423)	9,944,464
Loans advanced	(306,281)	(858,920)
Loans repayment received	230,365	502,022
Net cash outflow from other operating activities	(101,775,836)	(101,298,880)
Total cash (outflow) from operating activities	(85,335,228)	(134,185,485)
Investment activities		
Profit / return received	765,706	1,218,204
Dividends received	851	24,420
Proceeds from investments	76,265,707	230,207,773
Fixed capital expenditure	16,149,722	(101,839,282)
Proceeds from sale of property, plant and equipment	6,705,640	23,176,018
Total cash inflow from investing activities	99,887,626	152,787,133
Financing activities		
Share deposit money received	104,350	-
Borrowing under Musharaka arrangements obtained/ (paid)	1,133,346	(830,273)
Finance costs paid	(413,147)	(278,764)
Total cash inflow / (outflow) from financing activities	824,549	(1,109,037)
Net cash inflow/(outflow) from all activities	15,376,947	17,492,611
Cash at beginning of the period	69,291,048	61,981,887
Cash at end of the period	84,667,995	79,474,498
Reconciliation to profit and loss account		
Operating cash flows	(85,335,228)	(134,185,485)
Depreciation	(13,185,951)	(11,710,464)
Amortisation expense	(3,009,280)	(852,915)
Profit on disposal of fixed assets	1,394,301	-
Profit on disposal of investments	419,954	138,103,881
Finance costs	(413,147)	(278,764)
Increase in assets other than cash	56,768,196	50,415,611
Increase in liabilities other than borrowings	(84,649,763)	(44,842,526)
Provision for taxation	(744,392)	(25,974,294)
(Loss) / profit after taxation for the period	(128,755,310)	(29,324,956)

The annexed notes from 1 to 27 form an integral part of these condensed interim 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 financial statements of the Company for the year ended December 31, 2017.

3 STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements of the Company for the nine months period ended September 30, 2018 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.

During the period, the Company has changed format for preparation of its condensed interim consolidated financial statements to comply with the requirements of the 'Insurance Rules, 2017' issued by SECP vide its S.R.O. 89(1) / 2017 dated 09 February 2017. In line with the requirements provided in the Rules, accordingly these are the first set of consolidated condensed interim financial statement of the Company for the nine months period ended September 30, 2018.

During the period the Companies Act, 2017 has been implemented, however there is no impact on the condensed interim consolidated financial statement.

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 financial statements as at and for the year ended December 31, 2017 except for note no. 6.2.

6 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

6.1 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, 2017. 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, 2017, except as follows;

6.2 Changes in accounting policies

6.2.1 Adoption of new Insurance Rules, 2017 and Insurance Accounting Regulations, 2017

SECP has issued the Insurance Rules, 2017 including the new Insurance Accounting Regulations, 2017 and format for the preparation of financial statements. The new Insurance Rules are effective for the current period financial statements. Under the new Insurance Rules, 2017, certain changes have been made to the presentation of the financial statements which include the following :

- Changes in the sequence of assets / liabilities in the statement of financial position;
- Discontinuation of separate statements of premium, claims, commission and investment income, which are now presented (on aggregate basis) into the notes of the financial statements (note 18, 19, 20 and 21); and
- Underwriting results in relation to various classes of business which were previously on the face of the profit and loss account are now presented in a separate note (note 24).

6.2.2 The Company has changed its accounting policy in relation to the available-for-sale investments to comply with the requirements of IAS 39 "Financial Instruments-Recognition and Measurement". These investments are now carried at fair value. Surplus/ (deficit) on revaluation from one reporting date to another is taken to other comprehensive income in the statement of comprehensive income. On derecognition or impairment in available-for-sale investments, the cumulative gain or loss previously reported in other comprehensive income is transfer to profit and loss for the period within statement of comprehensive income. Previously the investments were carried at lower of cost and market value. This change in the accounting policy has been applied retrospectively and comparative information has been restated in accordance with the requirement of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The impact of change in accounting policy are summarized below:

	December 31, 2017 (Audited)		
	Balance previously reported	Adjustment	Balance Restated
Investments			
Equity securities	11,855,047	2,537,545	14,392,592
Deferred taxation	6,705,568	(735,888)	5,969,680
Reserves (Unappropriated profit)	(66,459,513)	1,801,657	(64,657,856)

			(Un-audited) September 30, 2018	(Audited) December 31, 2017
	Note		----- (Rupees) -----	
7	PROPERTY AND EQUIPMENT			
	Operating assets	7.1	<u>173,198,716</u>	<u>157,881,653</u>
7.1	Operating assets			
	Opening written down value		157,881,653	77,439,075
	Add: Additions during the period / year - at cost			
	- Motor vehicles		3,569,210	3,340,000
	- Computers and related accessories		626,898	4,596,911
	- Office equipment		155,000	4,242,115
	- Leasehold improvements		11,846,640	36,079,915
	- Furniture and fixtures		17,616,605	50,759,439
			33,814,353	99,018,380
	Less: Written down value of deletions		(5,311,339)	(2,347,090)
	Depreciation for the period / year		(13,185,951)	(16,228,712)
			<u>(18,497,290)</u>	<u>(18,575,802)</u>
			<u>173,198,716</u>	<u>157,881,653</u>
8	INTANGIBLE ASSETS- NET			
	Goodwill		28,742,849	28,742,849
	Franchise		18,857,655	20,100,852
	Computer software		3,384,486	5,150,569
			<u>50,984,990</u>	<u>53,994,270</u>
9	INVESTMENTS			
	Equity securities	9.1	<u>14,314,780</u>	<u>14,392,592</u>
	Debt securities	9.2	<u>-</u>	<u>21,265,737</u>
9.1	Equity securities			
	Available-for-sale	9.1.1	<u>14,314,780</u>	<u>14,392,592</u>
9.1.1	Others			
	Listed shares	9.1.1.1	141,678	147,286
	Mutual funds	9.1.1.2	14,173,102	14,245,306
			<u>14,314,780</u>	<u>14,392,592</u>
9.1.1.1	Investment in Dost Steels Limited, an associated company represents 7,020 shares (2017: 7,020 shares) having book value of Rs. 32,002 (2017: Rs. 32,002) and market value of Rs. 45,770 (2017: Rs. 70,621) with 0.002% (2017: 0.002%) of total equity of the associated company.			
9.1.1.2	Securities having book value of Rs. 11.731 million (2017: Rs. 11.731 million) and market value of Rs. 14.173 million (2017: Rs. 14.245 million) are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.			
9.2	Debt securities			
	Held-to- maturity			
	Government securities	9.2.1	<u>-</u>	<u>21,265,737</u>
9.2.1	Government securities having amortised cost of Rs. Nil (2017: Rs. 21.265 million) are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.			

		(Un-audited) September 30, 2018	(Audited) December 31, 2017
	Note	----- (Rupees) -----	
10	LOAN AND OTHER RECEIVABLES		
	Accrued investment income	-	346,603
	Security deposits	21,603,029	23,232,780
	Advance to employees	291,160	215,244
	Advance against expenses	50,529,563	5,027,011
	Accrued interest on advance against issuance of shares	10.1	66,582,917
	Advance against issuance of shares	10.2	354,279,066
	Others	34,715,635	32,540,531
		<u>555,638,922</u>	<u>482,224,152</u>
10.1	This represents accrued interest on advances against issue of shares given to Dost Steels Limited (an associated company). Movement in advances is as follows:		
	Movement		
	Balance as at beginning of the year	66,582,917	32,099,828
	Income for the year	27,637,552	34,483,089
	Received during the year	-	-
	Balance at the end of the year	<u>94,220,469</u>	<u>66,582,917</u>
10.2	This represents advances against issue of shares given to Dost Steels Limited (an associated company).		
11	PREMIUMS DUE BUT UNPAID		
	It includes amount of Rs. 8,505,674 (2017: Rs. 4,252,837) due from related parties.		
12	PREPAYMENTS		
	Prepaid reinsurance premium ceded	5,711,915	10,842,633
	Prepaid rent	-	76,000
	Others	300,001	3,735,150
		<u>6,011,916</u>	<u>14,653,783</u>
13	CASH AND BANK		
	Cash and other equivalents		
	Cash with State Bank of Pakistan	13.1	72,238,047
	Cash in hand	10,904,881	9,808,686
	Policy and revenue stamps	1,087,440	688,134
		<u>84,230,368</u>	<u>61,734,867</u>
	Current and other accounts		
	Current accounts	447,325	3,693,524
	Profit and loss savings accounts	13.2	303,414
		750,739	7,869,293
	Less: provision against dormant accounts	(313,112)	(313,112)
		<u>437,627</u>	<u>7,556,181</u>
		<u>84,667,995</u>	<u>69,291,048</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 5.5% (2017: 4%) per annum.		

	Note	(Un-audited) September 30, 2018	(Audited) December 31, 2017
		----- (Rupees) -----	
14 RESERVES			
Capital			
Reserve for exceptional losses		1,767,568	1,767,568
Surplus on remeasurement of available for sale investments to fair value		1,746,410	1,801,657
Revenue			
General reserve		24,497,265	24,497,265
Unappropriated profit		(170,694,516)	(92,724,346)
		<u>(142,683,273)</u>	<u>(64,657,856)</u>
15 INSURANCE / REINSURANCE PAYABLES			
Foreign reinsurers		21,017,059	19,302,035
Local reinsurers		23,932,674	19,670,724
Co-insurers		8,516,536	4,162,413
		<u>53,466,269</u>	<u>43,135,172</u>
16 OTHER CREDITORS AND ACCRUALS			
Federal insurance fees		432,663	268,114
Federal excise duty		20,572,154	16,485,588
Trade and related payables		32,127,766	67,069,248
Margin against performance bonds		3,900,841	3,268,504
Payable to staff provident fund		1,846,154	433,596
Withholding tax		49,844,737	43,055,089
Accrued expenses		34,636,818	31,502,519
Unclaimed dividend		418,209	418,209
Others		114,642,284	3,937,269
		<u>258,421,626</u>	<u>166,438,136</u>
17 CONTINGENCIES AND COMMITMENTS			
17.1 CONTINGENCIES			
The status of contingencies remain unchanged as disclosed in the annual financial statements as of December 31, 2017.			
		(Un-audited) September 30, 2018	(Audited) December 31, 2017
		----- (Rupees) -----	
17.2 COMMITMENTS			
Post dated cheques		<u>8,810,502</u>	<u>3,694,550</u>

	Three months period ended		Nine months period ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
	(Un-audited)		(Un-audited)	
	(Rupees)			
18 NET INSURANCE PREMIUM				
Gross written premium	20,204,271	28,467,924	91,617,216	79,689,843
Add : Unearned contribution reserve opening	-	48,037,120	55,822,934	71,592,272
Less: Unearned contribution reserve closing	14,370,542	(50,271,029)	(48,555,020)	(50,271,029)
Premium earned	34,574,813	26,234,015	98,885,130	101,011,086
Less: Reinsurance premium ceded	-	6,750,188	12,166,020	20,250,564
Add: prepaid reinsurance premium ceded opening	-	9,647,514	10,842,633	3,277,316
Less: prepaid reinsurance premium ceded closing	4,899,680	(12,513,324)	(5,711,915)	(12,513,324)
Reinsurance expense	4,899,680	3,884,378	17,296,738	11,014,556
	29,675,133	22,349,637	81,588,392	89,996,530
19 NET INSURANCE CLAIMS EXPENSE				
Claim paid	3,236,746	6,001,282	16,980,422	29,891,297
Add : Outstanding claims including IBNR closing	388,166	67,530,797	54,409,389	67,530,797
Less: Outstanding claims including IBNR opening	-	(67,207,011)	(66,422,035)	(71,011,170)
Claims expense	3,624,912	6,325,068	4,967,776	26,410,924
Less: Reinsurance and others recoveries received	-	-	-	30,126
Less: Reinsurance and others recoveries in respect of outstanding claims closing	-	(8,552,929)	(2,595,202)	(8,552,929)
Add: Reinsurance and others recoveries in respect of outstanding claims opening	-	8,552,929	2,595,202	8,552,929
Reinsurance and recoveries revenue	-	-	-	30,126
	3,624,912	6,325,068	4,967,776	26,380,798
20 NET COMMISSION EXPENSE				
Commission paid or payable	2,667,902	3,326,833	13,802,221	8,544,529
Add : Deferred commission expense opening	-	5,186,271	6,807,589	8,479,678
Less: Deferred commission expense closing	2,029,175	(5,748,631)	(5,641,354)	(5,748,631)
Net commission expense	4,697,077	2,764,473	14,968,456	11,275,576
21 INVESTMENT INCOME				
Income from equity securities				
Available-for-sale financial assets				
Dividend income	827	24,420	851	24,420
Gain on sale of available for sale investments	-	1,925,019	-	137,605,155
	827	1,949,439	851	137,629,575
Income from debt securities				
Held to maturity				
Return on government securities	-	-	306,410	665,000
Return on bank deposits	22,682	20,755	112,693	216,096
	23,509	1,970,194	419,954	138,510,671
Net realised gain/ (loss) on investments				
Add: Reversal/ (Provision) of impairment in debt securities Held to maturity	-	(9,909)	-	(23,738)
Less: Investment related expenses	-	(26,438)	-	(383,052)
Investment income	23,509	1,933,847	419,954	138,103,881

Crescent Star Insurance Limited
Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)
For the period ended September 30, 2018

	Three Months Ended		Nine Months Ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
	(Un-audited)		(Un-audited)	
	----- (Rupees) -----			
22 EARNINGS PER SHARE - BASIC AND DILUTED		(Restated)		(Restated)
(Loss) / Profit after tax for the period	<u>(33,465,321)</u>	<u>(71,459,932)</u>	<u>(128,755,310)</u>	<u>(29,046,192)</u>
	----- Number -----			
Weighted average number of Ordinary shares	<u>107,695,041</u>	<u>82,683,333</u>	<u>104,946,502</u>	<u>82,683,333</u>
	----- (Rupees) -----			
(Loss) / earnings per share - basic and diluted	<u>(0.31)</u>	<u>(0.86)</u>	<u>(1.23)</u>	<u>(0.35)</u>

22.1 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.

23 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of group companies; directors and their close family members; staff retirement funds; key management personnel and major shareholders of the Company. The associated companies are associated either based on 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 period, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	September 30, 2018	September 30, 2017
	(Un-audited)	(Un-audited)
	----- (Rupees) -----	
Details of transactions		
<i>Associated undertakings having common directorship</i>		
Dost Steels Limited		
Markup on advance given	27,637,552	8,502,681
Remuneration to Key Management Personnel	16,756,200	26,385,932
Staff retirement benefits		
Provident fund contribution	1,920,837	1,831,254

24 SEGMENT INFORMATION

For the Nine months period ended September 30, 2018

	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total	Food	Technologies	Luxury	Aggregate
Current period	(Rupees)										
Gross written premium (inclusive of administrative surcharges)	6,566,867	8,477,421	47,378,787	-	17,362,736	11,831,405	91,617,216	-	-	-	91,617,216
Insurance premium earned	8,544,380	11,624,418	47,847,078	1,418,188	17,320,814	12,130,252	98,885,130	-	-	-	98,885,130
Insurance premium ceded to reinsurers	(4,295,328)	(2,656,080)	(3,046,672)	-	(4,206,589)	(3,092,069)	(17,296,738)	-	-	-	(17,296,738)
Net insurance premium	4,249,052	8,968,338	44,800,406	1,418,188	13,114,226	9,038,183	81,588,392	-	-	-	81,588,392
Commission income	-	-	-	-	-	-	-	-	-	-	-
Net underwriting income	4,249,052	8,968,338	44,800,406	1,418,188	13,114,226	9,038,183	81,588,392	-	-	-	81,588,392
Insurance claims	13,471,831	1,115,067	(17,731,567)	1,309,515	(934,018)	(2,198,604)	(4,967,776)	-	-	-	(4,967,776)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net claims	13,471,831	1,115,067	(17,731,567)	1,309,515	(934,018)	(2,198,604)	(4,967,776)	-	-	-	(4,967,776)
Commission expense	(2,507,019)	(2,794,142)	(3,915,561)	(70,909)	(2,141,605)	(3,539,220)	(14,968,456)	-	-	-	(14,968,456)
Management expense	(3,452,250)	(4,440,705)	(35,988,726)	-	(8,944,575)	(6,128,525)	(58,954,781)	-	-	-	(58,954,781)
Premium deficiency reversal / (expense)	1,367,890	(54,295)	-	-	-	-	1,313,595	-	-	-	1,313,595
Net insurance claims and expenses	8,880,452	(6,174,075)	(57,635,854)	1,238,606	(12,020,198)	(11,866,349)	(77,577,418)	-	-	-	(77,577,418)
Underwriting results	13,129,504	2,794,263	(12,835,448)	2,656,794	1,094,028	(2,828,166)	4,010,974	-	-	-	4,010,974
Sales	-	-	-	-	-	-	-	44,775,916	-	2,713,615	47,489,531
Cost of sales	-	-	-	-	-	-	-	(115,380,219)	-	(2,294,389)	(117,674,608)
Net investment income	-	-	-	-	-	419,954	419,954	-	-	-	419,954
Other income	-	-	-	-	-	30,876,186	30,876,186	-	-	-	30,876,186
Other expenses	-	-	-	-	-	(45,398,902)	(45,398,902)	(30,318,583)	(81,045)	(16,052,196)	(91,850,726)
Result of operating activities	(10,091,788)	(100,922,886)	(81,045)	(15,632,970)	(126,728,689)	(413,147)	(413,147)	-	-	-	(413,147)
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Profit before tax for the period	(10,504,935)	(100,922,886)	(81,045)	(15,632,970)	(127,141,836)	(10,504,935)	(10,504,935)	(100,922,886)	(81,045)	(15,632,970)	(127,141,836)

For the Nine months period ended September 30, 2017

	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total	Food	Technologies	Luxury	Aggregate
Prior period	(Rupees)										
Gross written premium (inclusive of administrative surcharges)	3,629,668	6,792,847	44,512,163	2,952,518	13,112,902	8,689,745	79,689,843	-	-	-	79,689,843
Insurance premium earned	7,988,225	6,897,920	59,540,732	1,616,037	14,557,275	10,275,727	100,875,916	-	-	-	100,875,916
Insurance premium ceded to reinsurers	(976,298)	(2,568,746)	(3,528,563)	-	(2,986,391)	(954,557)	(11,014,556)	-	-	-	(11,014,556)
Net insurance premium	7,011,927	4,329,174	56,012,169	1,616,037	11,570,884	9,321,170	89,861,360	-	-	-	89,861,360
Commission income	-	-	-	-	-	-	-	-	-	-	-
Net underwriting income	7,011,927	4,329,174	56,012,169	1,616,037	11,570,884	9,321,170	89,861,360	-	-	-	89,861,360
Insurance claims	(117,655)	(4,082,983)	(18,169,606)	(6,716,966)	-	2,676,286	(26,410,924)	-	-	-	(26,410,924)
Insurance claims recovered from reinsurers	-	-	30,126	-	-	-	30,126	-	-	-	30,126
Net claims	(117,655)	(4,082,983)	(18,139,480)	(6,716,966)	-	2,676,286	(26,380,798)	-	-	-	(26,380,798)
Commission expense	(1,478,270)	(1,522,553)	(5,001,680)	61,633	(1,600,314)	(1,734,392)	(11,275,576)	-	-	-	(11,275,576)
Management expense	(2,223,972)	(4,124,033)	(38,173,248)	(1,855,328)	(8,030,823)	(5,251,066)	(59,658,470)	-	-	-	(59,658,470)
Net insurance claims and expenses	(3,819,897)	(9,729,569)	(61,314,408)	(8,510,661)	(9,631,137)	(4,309,172)	(97,314,844)	-	-	-	(97,314,844)
Underwriting results	3,192,030	(5,400,395)	(5,302,239)	(6,894,624)	1,939,747	5,011,998	(7,453,484)	-	-	-	(7,453,484)
Sales	-	-	-	-	-	-	-	65,663,780	-	10,060,835	75,724,615
Cost of sales	-	-	-	-	-	-	-	(141,316,242)	(7,636,444)	(8,897,211)	(157,849,897)
Net investment income	-	-	-	-	-	138,103,881	138,103,881	-	-	-	138,103,881
Other income	-	-	-	-	-	27,243,643	27,243,643	430,502	-	-	27,674,145
Other expenses	-	-	-	-	-	(48,270,848)	(48,270,848)	(19,195,183)	2,135,758	(13,662,121)	(78,992,394)
Result of operating activities	109,623,192	(94,417,143)	(5,500,686)	(12,498,497)	(2,793,134)	(278,764)	(278,764)	-	-	-	(278,764)
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Profit before tax for the period	109,344,428	(94,417,143)	(5,500,686)	(12,498,497)	(3,071,898)	109,344,428	109,344,428	(94,417,143)	(5,500,686)	(12,498,497)	(3,071,898)

25 RECLASSIFICATIONS

- 25.1 As a result of adoption of Insurance Rules, 2017 and Insurance Accounting Regulations, 2017 (note 6.2.1), corresponding figures have been rearranged whenever necessary, for purposes of comparison to the unconsolidated condensed interim financial statements as follows:

Balance Sheet

Reclassified from	Reclassified to	Note	Rupees
Prepaid reinsurance premium ceded	Prepayments	12	5,711,915
Accrued investment income	Loan and other receivable	10	-
Sundry receivables	Loan and other receivable	10	555,638,922
Other liabilities	Other creditors and accruals	16	114,642,284
Accrued expenses	Other creditors and accruals	16	34,636,818

26 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements have been approved by the Board of Directors of the Company and are authorised for issue on October 27, 2018.

- 27 Figures in these interim condensed 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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LAHORE CENTRAL	81-Y COMMERCIAL BLOCK, D.H.A. PHASE III, LAHORE	042-35694719-20
ISLAMABAD	SUIT NO 2, 2ND FLOOR RATTI MANSION FAZAL-E-HAQ ROAD, BLUE AREA, ISLAMABAD	(051) 2806293-95
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FAISALABAD	MEZZANINE FLOOR MZ-7, 22 & 23, PEARL CITY TOWERS MANAGEMENT SARGODHA ROAD FAISALABAD	0321-7824144
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