

Statement of Cash Flows

For The Year Ended December 31, 2010

Figures in Rupees

	Statutory Funds			Aggregate December 31, 2010	Aggregate December 31, 2009	
	Shareholders' Fund	Ordinary Life	Universal Life			Accident & Health
Operating Cash Flows						
a) Underwriting Activities						
Premium Received	—	98,729,747	72,156,824	89,028,460	259,915,031	241,894,534
Net Reinsurance Premium Paid	—	(4,982,457)	(865,355)	—	(5,847,812)	(1,725,130)
Claims Paid	—	(71,892,888)	(9,058,870)	(71,985,453)	(152,937,211)	(163,486,162)
Surrenders Paid	—	—	(7,774,249)	—	(7,774,249)	(1,418,420)
Commissions Paid	—	(4,072,942)	(19,522,530)	(3,645,377)	(27,240,849)	(26,812,186)
Net Cash From Underwriting Activities	—	17,781,460	34,935,820	13,397,630	66,114,910	48,452,636
b) Other Operating Activities						
Income Tax Paid	(676,290)	—	—	—	(676,290)	(994,391)
General Management Expenses Paid	(15,396,197)	(15,659,192)	(33,246,198)	(12,146,878)	(76,448,465)	(98,328,046)
Net Cash (Used In) Other Operating Activities	(16,072,487)	(15,659,192)	(33,246,198)	(12,146,878)	(77,124,755)	(99,322,437)
Total Cash From/(Used In) All Operating Activities	(16,072,487)	2,122,268	1,689,622	1,250,752	(11,009,845)	(50,869,801)
Investment Activities						
Profit/Return Received	6,586,231	1,652,943	5,956,316	436,594	14,632,084	26,672,654
Dividend Received	148,422	—	—	—	148,422	232,110
Payments for Investments	(23,615,080)	(14,000,000)	(65,390,410)	(8,300,000)	(111,305,490)	(115,680,913)
Proceeds From Disposal of Investments	37,488,982	17,000,000	81,524,253	—	136,013,235	73,152,631
Proceed From Disposal of Fixed Assets	3,705,000	—	—	—	3,705,000	—
Fixed Capital Expenditure	(1,267,940)	—	—	—	(1,267,940)	(10,992,737)
Total Cash From/(Used In) Investing Activities	23,045,615	4,652,943	22,090,159	(7,863,406)	41,925,311	(26,616,255)
Financing Activities						
Share Capital Issued	45,496,000	—	—	—	45,496,000	41,360,000
Transfer Of Reserve Due to Conversion	—	(178,546)	178,546	—	—	—
Capital Contribution From Shareholder Fund	(51,100,000)	7,000,000	35,800,000	8,300,000	—	—
Total Cash From/(Used In) Financing Activities	(5,604,000)	6,821,454	35,978,546	8,300,000	45,496,000	41,360,000
Net Cash Inflow/(Outflow) From All Activities	1,369,128	13,596,665	59,758,327	1,687,346	76,411,466	(36,126,056)
Cash At The Beginning of the Year	4,743,562	1,491,558	39,354,054	14,180,845	59,770,019	95,896,075
Cash at the End of the Year	6,112,690	15,088,223	99,112,381	15,868,191	136,181,485	59,770,019



Figures in Rupees

Reconciliation to Profit and Loss Account

	Aggregate December 31, 2010	Aggregate December 31, 2009
Operating Cash Flows	(11,009,845)	(50,869,801)
Depreciation and Amortization Expense	(6,752,507)	(7,380,605)
Shares of Loss In Associate	—	(2,201,700)
Investment Income	34,583,997	(110,712,583)
Dividend Received	148,422	232,110
Provision For Impairment in The Value of Available for Sale Investments	(606,389)	(79,222,070)
Increase/(Decrease) in Assets Other Than Cash	(6,301,721)	(6,031,776)
Increase In Liabilities Other Than Running Finance	(60,875,314)	(46,454,350)
Deficit In Statutory Funds	54,007,041	78,808,240
Profit/(Loss) After Taxation	<u>3,193,684</u>	<u>(223,832,535)</u>

The annexed notes 1 to 35 form an integral part of these Financial Statements.



CHIEF JUSTICE (R) MIAN MAHBOOB AHMAD
Chairman



MAHEEN YUNUS, CPCU
Managing Director &
Chief Executive



A. K. M. SAYEED
Director



JAVED YUNUS
Director

