

**Ras Al Khaimah National Insurance Company P.S.C.**

**Condensed interim financial information**  
*for the three-month period ended 31 March 2014*

# Ras Al Khaimah National Insurance Company P.S.C.

Condensed interim financial information  
*for the three-month period ended 31 March 2014*

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## **Independent auditors' report on review of interim financial information**

The Shareholders  
Ras Al Khaimah National Insurance Company P.S.C.

### *Introduction*

We have reviewed the accompanying 31 March 2014 condensed interim financial information of Ras Al Khaimah National Insurance Company P.S.C. ("the Company"), consisting of:

- the condensed interim statement of financial position as at 31 March 2014;
- the condensed interim statement of profit or loss for the three-month period ended 31 March 2014;
- the condensed interim statement of comprehensive income for the three-month period ended 31 March 2014;
- the condensed interim statement of changes in equity for the three-month period ended 31 March 2014;
- the condensed interim statement of cash flows for the three-month period ended 31 March 2014; and
- notes to the condensed interim financial information.

Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### *Scope of Review*

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

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2014 condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited  
Muhammad Tariq  
Registration No: 793

13 MAY 2014

**Ras Al Khaimah National Insurance Company P.S.C.**  
**Condensed interim statement of financial position**  
*as at 31 March 2014*

		(Un-audited) 31 March 2014	(Audited) 31 December 2013
	<i>Notes</i>	AED	AED
<b>ASSETS</b>			
Property and equipment		2,312,755	2,418,056
Investment properties		7,515,196	7,576,193
Investment in an associate		25,848,646	27,848,646
Investment securities	6	33,451,715	26,690,310
Statutory deposit		10,000,000	10,000,000
Insurance contract assets	8	111,584,839	91,034,014
Insurance and other receivables	10	157,639,482	120,503,130
Cash and bank balances	9	188,165,505	201,540,770
<b>Total assets</b>		<b>536,518,138</b>	<b>487,611,119</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital		100,000,000	100,000,000
Statutory reserve		36,073,578	36,073,578
Special reserve		20,000,000	20,000,000
Cumulative changes in fair value of available-for-sale securities		23,701,996	17,626,610
Retained earnings		70,102,069	49,515,669
<b>Total equity</b>		<b>249,877,643</b>	<b>223,215,857</b>
Provision for employee's end of service benefits		3,504,101	3,438,451
Insurance contract liabilities	8	219,686,525	199,569,300
Insurance and other payables		63,449,869	61,387,511
<b>Total liabilities</b>		<b>286,640,495</b>	<b>264,395,262</b>
<b>Total equity and liabilities</b>		<b>536,518,138</b>	<b>487,611,119</b>

The notes on pages 7 to 15 form an integral part of these condensed interim financial information.

These condensed interim financial statements were authorised for issue and approved by the Board on

13 MAY 2014

\_\_\_\_\_ and signed on its behalf by :

Chairman

Chief Executive Officer

The independent auditors' report on review of condensed interim financial information is set out on page 1.

## Ras Al Khaimah National Insurance Company P.S.C.

### Condensed interim statement of profit or loss

for the three-month period ended 31 March 2014

	<i>Notes</i>	<b>(Un-audited) For the three- month period ended 31 March 2014 AED</b>	<b>(Un-audited) For the three- month period ended 31 March 2013 AED</b>
Gross insurance premium		<b>76,586,430</b>	79,195,360
Less: insurance premium ceded to reinsurers		<b>(27,255,371)</b>	(36,691,935)
Net retained premium		<b>49,331,059</b>	42,503,425
Net change in unearned premium reserve	8	<b>(1,475,446)</b>	(2,665,501)
<b>Net insurance premium</b>		<b>47,855,613</b>	39,837,924
Gross claims incurred	8	<b>(51,578,684)</b>	(21,703,759)
Insurance claims recovered from reinsurers	8	<b>30,690,769</b>	4,911,153
<b>Net claims incurred</b>		<b>(20,887,915)</b>	(16,792,606)
Gross commission earned		<b>2,415,384</b>	2,519,343
Less: commission incurred		<b>(5,013,776)</b>	(5,232,714)
<b>Net commission incurred</b>		<b>(2,598,392)</b>	(2,713,371)
<b>Gross underwriting profit</b>		<b>24,369,306</b>	20,331,947
General and administrative expenses relating to underwriting activities		<b>(3,206,427)</b>	(5,011,796)
<b>Net underwriting profit</b>		<b>21,162,879</b>	15,320,151
Investment income		<b>1,416,960</b>	746,429
Other income		<b>1,075,370</b>	1,239,947
Unallocated general and administrative expenses		<b>(1,068,809)</b>	(1,670,599)
Share of (loss) / profit of an associate for the period		<b>(2,000,000)</b>	526,648
<b>Profit for the period</b>		<b>20,586,400</b>	16,162,576
Earnings per share	16	<b>0.21</b>	0.16

The notes on pages 7 to 15 form an integral part of these condensed interim financial information.

The independent auditors' report on review of condensed interim financial information is set out on page 1.

**Ras Al Khaimah National Insurance Company P.S.C.**  
Condensed interim statement of comprehensive income  
for the three-month period ended 31 March 2014

	<b>(Un-audited)</b> <b>For the three-</b> <b>month period</b> <b>ended</b> <b>31 March 2014</b> <b>AED</b>	(Un-audited) For the three- month period ended 31 March 2013 AED
<b>Profit for the period</b>	<b>20,586,400</b>	16,162,576
<b>Other comprehensive income</b>		
<i>Items that will be reclassified to profit or loss:</i>		
Net change in fair value of available-for-sale securities	<b>6,075,386</b>	1,795,796
Share of other comprehensive income of an associate	-	1,026,056
<b>Total other comprehensive income for the period</b>	<b>6,075,386</b>	<b>2,821,852</b>
<b>Total comprehensive income for the period</b>	<b>26,661,786</b>	<b>18,984,428</b>

The notes on pages 7 to 15 form an integral part of these condensed interim financial information.

The independent auditors' report on review of condensed interim financial information is set out on page 1.

**Ras Al Khaimah National Insurance Company P.S.C.**  
Condensed interim statement of changes in shareholders' equity (Un-audited)  
for the three-month period ended 31 March 2014

	Share capital AED	Statutory reserve AED	Special reserve AED	Cumulative changes in fair value of AFS securities AED	Retained earnings AED	Total AED
<b>Balance at 1 January 2013</b>	100,000,000	32,619,210	20,000,000	4,514,836	34,726,361	191,860,407
<b>Total comprehensive income for the period</b>						
Profit for the period	-	-	-	-	16,162,576	16,162,576
<b>Other comprehensive income for the period</b>						
Net change in fair value of available-for-sale investments	-	-	-	1,795,796	-	1,795,796
Share of other comprehensive income of an associate	-	-	-	1,026,056	-	1,026,056
<b>Total other comprehensive income for the period</b>	-	-	-	2,821,852	-	2,821,852
<b>Total comprehensive income for the period</b>	-	-	-	2,821,852	16,162,576	18,984,428
<b>Transactions with owners of the Company, recognised directly in equity</b>						
Dividend (refer note 14)	-	-	-	-	(15,000,000)	(15,000,000)
<b>As at 31 March 2013</b>	<b>100,000,000</b>	<b>32,619,210</b>	<b>20,000,000</b>	<b>7,336,688</b>	<b>35,888,937</b>	<b>195,844,835</b>
<b>Balance at 1 January 2014</b>	100,000,000	36,073,578	20,000,000	17,626,610	49,515,669	223,215,857
<b>Total comprehensive income for the period</b>						
Profit for the period	-	-	-	-	20,586,400	20,586,400
<b>Other comprehensive income for the period</b>						
Net change in fair value of available-for-sale investments	-	-	-	6,075,386	-	6,075,386
Share of other comprehensive income of an associate	-	-	-	-	-	-
<b>Total other comprehensive income for the period</b>	-	-	-	6,075,386	-	6,075,386
<b>Total comprehensive income for the period</b>	-	-	-	6,075,386	20,586,400	26,661,786
<b>As at 31 March 2014</b>	<b>100,000,000</b>	<b>36,073,578</b>	<b>20,000,000</b>	<b>23,701,996</b>	<b>70,102,069</b>	<b>249,877,643</b>

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The independent auditors' report on review of condensed interim financial information is set out on page 1.

# Ras Al Khaimah National Insurance Company P.S.C.

## Condensed interim statement of cash flows

for the three-month period ended 31 March 2014

	<i>Notes</i>	(Un-audited) For the three- month period ended 31 March 2014 AED	(Un-audited) For the three- month period ended 31 March 2013 AED
<b>Cash flows from operating activities</b>			
Profit for the period		20,586,400	16,162,576
<i>Adjustment for:</i>			
Share of loss / (profit) of an associate		2,000,000	(526,648)
Depreciation of property and equipment		203,173	112,013
Depreciation of investment property		60,997	48,691
Provision of employees' end of service benefits		170,374	182,904
Unrealised gain on financial assets at FVTPL		(686,018)	(404,564)
Impairment losses on available-for-sale investments		-	13,800
Income from investment property		(56,593)	(23,832)
Interest income		(1,068,237)	(1,120,126)
Dividend income		(674,349)	(331,833)
		<u>20,535,747</u>	<u>14,112,981</u>
Change in re-insurance contract assets		(20,550,825)	6,591,643
Change in insurance contract liabilities		20,117,225	(5,865,794)
Change in insurance and other receivables		(37,495,386)	(19,426,162)
Change in insurance and other payables		2,062,358	25,161,698
Employees' end of service benefits paid		(104,724)	(1,545,262)
<b>Net cash (used in) / generated from operating activities</b>		<u>(15,435,605)</u>	<u>19,029,104</u>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment		(97,872)	(510,202)
Proceeds from disposal of property and equipment		-	193,935
Income from investment property		56,593	23,832
Interest received		1,427,270	1,460,884
Dividend received		674,349	331,833
Increase in fixed deposit with banks with maturity greater than 3 months		(19,044,905)	(18,119,448)
<b>Net cash used in investing activities</b>		<u>(16,984,565)</u>	<u>(16,619,166)</u>
<b>Net increase in cash and cash equivalents</b>		(32,420,170)	2,409,938
Cash and cash equivalents at the beginning of the period		141,847,492	33,117,943
<b>Cash and cash equivalents at the end of the period</b>	<i>11</i>	<u>109,427,322</u>	<u>35,527,881</u>

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# **Ras Al Khaimah National Insurance Company P.S.C.**

## **Notes to the condensed interim financial information**

*for the three-month period ended 31 March 2014*

### **1. Legal status and principal activities**

Ras Al Khaimah National Insurance Company P.S.C. - Ras Al Khaimah (the "Company") is a public shareholding company, established and incorporated in the Emirate of Ras Al Khaimah by Emiri decree No. 20 dated 15 December 1974 which was amended by Emiri decree No. 10 dated 7 December 1985 and Emiri decree No. 3 dated 5 April 1997 issued by H.H. Sheikh Saqr Bin Mohammed Al Qasimi, the Ruler of the Emirate of Ras Al Khaimah and its dependencies. The Company is subject to the regulations of U.A.E. Federal Law No. 6 of 2007 on Establishment of Insurance Authority and Organization of its Operations and is registered in the Insurance Companies Register of Insurance Authority of U.A.E., under registration number 7. The address of the Company's registered corporate office is P. O. Box 506, Ras Al Khaimah, United Arab Emirates.

The principal activity of the Company is to undertake all classes of insurance business including life assurance, saving and accumulation of funds. The Company operates through its head office in Ras Al Khaimah and branch offices in Dubai and Abu Dhabi.

### **2. Summary of significant accounting policies**

#### **a) Basis of preparation**

These condensed interim financial information have been prepared in accordance with IAS 34 "Interim Financial Reporting". They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements as at and for the year ended 31 December 2013, which have been prepared in accordance with International Financial Reporting Standards (IFRSs).

#### **b) Basis of measurement**

The condensed interim financial information have been prepared on the historical cost basis except for the following:

- i) financial instruments at fair value through profit and loss ("FVTPL") are measured at fair value; and
- ii) available-for-sale ("AFS") financial assets are measured at fair value.

#### **c) Significant accounting policies**

The accounting policies adopted in the preparation of the condensed interim financial information are consistent with those followed in the preparation of the Company's audited financial statements for the year ended 31 December 2013.

The adoption of new and amended standards and interpretations did not have an impact on the financial position or performance of the Company during the period.

#### **d) Functional and presentation currency**

These condensed interim financial information are presented in U.A.E. Dirhams ("AED") since that is the currency in which the majority of the Company's transactions are denominated.

# Ras Al Khaimah National Insurance Company P.S.C.

Notes (continued)

## 2. Summary of significant accounting policies (continued)

### e) Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in the future periods effected.

In preparing these condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited financial statements as at and for the year ended 31 December 2013.

## 3. Financial risk management

Aspects of the Company's financial risk management objectives and policies are consistent with those disclosed in the audited financial statements as at and for the year ended 31 December 2013.

## 4. Interim measurement

The nature of the Company's business is such that income and expense are incurred in a manner, which is not impacted by any form of seasonality. These condensed interim financial information were prepared based upon an accrual concept, which requires income and expense to be recorded as earned or incurred and not as received or paid throughout the year.

## 5. Classes and categories of financial assets and financial liabilities

The table below sets out the classification of each class of financial assets and liabilities:

At 31 March 2014 (Un-audited)

<u>Financial assets</u>	<u>FVTPL AED</u>	<u>AFS AED</u>	<u>Amortised cost AED</u>	<u>Total AED</u>
Financial assets	4,801,027	24,943,488	3,707,200	33,451,715
Insurance and other receivables	-	-	157,639,482	157,639,482
Re-insurance share of outstanding claims	-	-	74,567,249	74,567,249
Statutory deposit	-	-	10,000,000	10,000,000
Cash and bank balances	-	-	188,165,505	188,165,505
	<u>4,801,027</u>	<u>24,943,488</u>	<u>434,079,436</u>	<u>463,823,951</u>
<u>Financial liabilities</u>				
Insurance and other payables	-	-	63,449,869	63,449,869
Insurance contract liabilities	-	-	115,057,121	115,057,121
	<u>-</u>	<u>-</u>	<u>178,506,990</u>	<u>178,506,990</u>

# Ras Al Khaimah National Insurance Company P.S.C.

## Notes (continued)

### 5. Classes and categories of financial assets and financial liabilities (continued)

At 31 December 2013 (Audited)

<u>Financial assets</u>	FVTPL AED	AFS AED	Amortised cost AED	Total AED
Financial assets	4,115,009	18,868,101	3,707,200	26,690,310
Insurance and other receivables	-	-	120,503,130	120,503,130
Re-insurance share of outstanding claims	-	-	51,590,165	51,590,165
Statutory deposit	-	-	10,000,000	10,000,000
Cash and bank balances	-	-	201,540,770	201,540,770
	<u>4,115,009</u>	<u>18,868,101</u>	<u>387,341,265</u>	<u>410,324,375</u>
 <u>Financial liabilities</u>				
Insurance and other payables	-	-	61,387,511	61,387,511
Insurance contract liabilities	-	-	92,142,322	92,142,322
	<u>-</u>	<u>-</u>	<u>153,529,833</u>	<u>153,529,833</u>

### 6. Investment securities

	(Un-audited) 31 March 2014 AED	(Audited) 31 December 2013 AED
Financial assets at AFS - quoted - within UAE	24,943,488	18,868,101
Financial assets at FVTPL - quoted - within UAE	4,801,027	4,115,009
Financial assets at HTM - quoted - within UAE	3,707,200	3,707,200
	<u>33,451,715</u>	<u>26,690,310</u>

# Ras Al Khaimah National Insurance Company P.S.C.

Notes (continued)

## 7. Fair value hierarchy

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

Financial assets - fair value	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
<b>At 31 March 2014 (Un-audited)</b>				
FVTPL	4,801,027	-	-	4,801,027
AFS	24,943,488	-	-	24,943,488
HTM	3,707,200	-	-	3,707,200
	<u>33,451,715</u>	<u>-</u>	<u>-</u>	<u>33,451,715</u>
<b>At 31 December 2013 (Audited)</b>				
FVTPL	4,115,009	-	-	4,115,009
AFS	18,868,101	-	-	18,868,101
HTM	3,707,200	-	-	3,707,200
	<u>26,690,310</u>	<u>-</u>	<u>-</u>	<u>26,690,310</u>

## 8. Insurance contract liabilities and insurance contract assets

	(Un-audited) 31 March 2014 AED	(Audited) 31 December 2013 AED
<b>Insurance contract liabilities</b>		
Claims reported unsettled	115,057,121	92,142,322
Claims incurred but not reported	6,019,324	6,717,231
Unearned premiums	98,610,080	100,709,747
<b>Insurance contract liabilities</b>	<u>219,686,525</u>	<u>199,569,300</u>
<b>Insurance contract assets</b>		
Claims reported unsettled	(74,567,249)	(51,590,165)
Claims incurred but not reported	(3,728,362)	(2,579,508)
Deferred reinsurance premiums	(33,289,228)	(36,864,341)
<b>Total insurers' share of insurance contracts</b>	<u>(111,584,839)</u>	<u>(91,034,014)</u>

## Ras Al Khaimah National Insurance Company P.S.C.

Notes (continued)

### 8. Insurance contract liabilities and re-insurance contract assets (continued)

Movements in the insurance contract liabilities and reinsurance contract assets during the period were as follows:

	Period ended 31 March 2014			Period ended 31 March 2013		
	Gross AED	Reinsurance AED	Net AED	Gross AED	Reinsurance AED	Net AED
<b>Claims</b>						
Notified claims	92,142,322	(51,590,165)	40,552,157	104,134,522	(59,606,137)	44,528,385
Incurred but not reported	6,717,231	(2,579,508)	4,137,723	5,206,727	(2,952,807)	2,253,920
<b>Total at the beginning of the period</b>	<b>98,859,553</b>	<b>(54,169,673)</b>	<b>44,689,880</b>	109,341,249	(62,558,944)	46,782,305
Claims settled in the period	(29,361,792)	6,564,831	(22,796,961)	(33,009,346)	14,277,088	(18,732,258)
Increase in liabilities	51,578,684	(30,690,769)	20,887,915	21,703,759	(4,911,153)	16,792,606
<b>Total at the end of the period</b>	<b>121,076,445</b>	<b>(78,295,611)</b>	<b>42,780,834</b>	98,035,662	(53,193,009)	44,842,653
Notified claims	115,057,121	(74,567,249)	40,489,872	93,367,297	(50,660,009)	42,707,288
Incurred but not reported	6,019,324	(3,728,362)	2,290,962	4,668,365	(2,533,000)	2,135,365
<b>Total at the end of the period</b>	<b>121,076,445</b>	<b>(78,295,611)</b>	<b>42,780,834</b>	98,035,662	(53,193,009)	44,842,653
<b>Unearned premium</b>						
<b>Total at the beginning of the period</b>	<b>100,709,747</b>	<b>(36,864,341)</b>	<b>63,845,406</b>	83,407,553	(34,023,380)	49,384,173
Increase during the period	98,610,080	(33,289,228)	65,320,852	88,847,346	(36,797,672)	52,049,674
Release during the period	(100,709,747)	36,864,341	(63,845,406)	(83,407,553)	34,023,380	(49,384,173)
Net increase during the period	(2,099,667)	3,575,113	1,475,446	5,439,793	(2,774,292)	2,665,501
<b>Total at the end of the period</b>	<b>98,610,080</b>	<b>(33,289,228)</b>	<b>65,320,852</b>	88,847,346	(36,797,672)	52,049,674

# Ras Al Khaimah National Insurance Company P.S.C.

## Notes (continued)

### 9. Cash and bank balances

	(Un-audited)	(Audited)
	31 March	31 December
	2014	2013
	AED	AED
Cash in hand	<u>80,497</u>	<u>85,210</u>
Bank balances:		
Current accounts	(2,648,145)	1,921,288
Call accounts	28,469,538	29,497,084
Fixed deposits	<u>162,263,615</u>	<u>170,037,188</u>
	<u>188,085,008</u>	<u>201,455,560</u>
	<u>188,165,505</u>	<u>201,540,770</u>

Bank balances are maintained with financial institutions in the United Arab Emirates.

Fixed deposit of AED 300,000 (2012: AED 300,000) is under lien in respect of carrying out commercial activities in Abu Dhabi, United Arab Emirates.

Fixed deposits carried interest ranging from 0.3% to 3% per annum (2013: 1.5% to 3% per annum).

### 10. Insurance and other receivables

Insurance and othe receivables includes account receivable from a client which was converted during the period into an unsecured loan of AED 18.9 million (2013: AED Nil). The loan carries an interest rate of 5.5% and is repayable in 37 equal installments commencing 20 April 2014.

### 11. Cash and cash equivalents

Cash and cash equivalents at the end of the period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	(Un-audited)	(Audited)
	31 March	31 December
	2014	2013
	AED	AED
Cash and bank balances (refer note 9)	188,165,505	201,540,770
Bank fixed deposits with maturity greater than three months	(78,438,183)	(59,393,278)
Fixed deposits under lien	(300,000)	(300,000)
	<u>109,427,322</u>	<u>141,847,492</u>

### 12. Related party transactions

The Company is partly owned by Government of Ras Al Khaimah (47.06%). Government related entities are independently run business entities. The Company, in the normal course of business, collects premiums, settles claims and enters into transactions with other business enterprises that fall within the definition of a related party as defined by International Accounting Standard 24 - (Revised). The Company's management believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

At the end of the reporting period, amounts due from/to related parties which are included in the respective account balances are detailed below:

## Ras Al Khaimah National Insurance Company P.S.C.

### Notes (continued)

#### 12. Related party transactions *(continued)*

	(Un-audited) 31 March 2014 AED	(Audited) 31 December 2013 AED
Due from policyholders	39,991,062	26,877,414
Due to policyholders	223,080	480,664
Due to United Insurance Company P.S.C.	844,122	637,007

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given and no expense has been recognised in the year for bad or doubtful debts in respect of the amounts owed by related parties.

#### Transactions

During the period, the Company entered into the following transactions with related parties:

	(Un-audited) For the three- month period ended 31 March 2014 AED	(Un-audited) For the three- month period ended 31 March 2013 AED
Gross premiums	14,110,350	12,975,822
Claims paid	963,689	1,715,467

Premiums are charged to related parties at rates agreed with management.

#### *Compensation of key management personnel*

Short-term benefits	399,900	395,968
Long-term benefits	21,575	30,411

#### 13. Contingent liabilities

	(Un-audited) 31 March 2014	(Audited) 31 December 2013
Letters of guarantee*	<u>10,300,000</u>	<u>10,300,000</u>

\*Includes AED 10,000,000 (2013: AED 10,000,000) issued in favour of Insurance Authority of U.A.E.

# Ras Al Khaimah National Insurance Company P.S.C.

Notes (continued)

## 14. Dividends

The Board of Directors proposed cash dividend of 15% amounting to AED 15,000,000 (2012: 15% cash dividend amounting to AED 15,000,000). However, the shareholders during the Annual General Meeting held on 27 April 2014 approved cash and bonus shares of 10% each. Further, the shareholders also approved Director's remuneration of AED 1,300,000 (2012: AED 1,140,000).

## 15. Segment information

### Business segments

For management purposes the Company is organised into two business segments, general insurance and investments. These segments are the basis on which the Company reports its primary segment information.

Underwriting of general insurance business incorporating all classes of general insurance including fire, marine, motor, general accident and miscellaneous.

Investments incorporating investments in U.A.E marketable equity securities, term deposits with banks, investment properties, trading investments and other securities.

	For the three-month period ended 31 March 2014			For the three-month period ended 31 March 2013		
	Underwriting	Investment and Treasury	Total	Underwriting	Investment and Treasury	Total
(Un-audited)	AED	AED	AED	AED	AED	AED
Segment revenue	76,586,430	-	76,586,430	79,195,360	-	79,195,360
Segment result	21,162,879	492,330	21,655,209	15,320,151	2,513,024	17,833,175
Unallocated costs - net	-	-	(1,068,809)	-	-	(1,670,599)
Net profit for the period			20,586,400			16,162,576

  

	31 March 2014			31 December 2013		
	Underwriting	Investment and Treasury	Total	Underwriting	Investment and Treasury	Total
(Un-audited)	AED	AED	AED	AED	AED	AED
Segment assets	260,529,625	228,779,172	489,308,797	207,233,271	231,852,337	439,085,608
Unallocated assets	-	-	47,209,341	-	-	48,525,511
Total assets			536,518,138			487,611,119
Segment liabilities	283,136,394	-	283,136,394	260,956,811	-	260,956,811
Unallocated liabilities	-	-	3,504,101	-	-	3,438,451
Total liabilities			286,640,495			264,395,262

The following is an analysis of the Company's revenues classified by major underwriting departments:

	Three-months ended	
	31 March 2014	31 March 2013
(Un-audited)	AED	AED
Motor	9,758,291	10,144,377
Marine and aviation	8,633,464	16,420,575
Group life and medical insurance	29,831,435	25,992,365
Engineering, fire, general accidents and others	28,363,240	26,638,043
	76,586,430	79,195,360



## Ras Al Khaimah National Insurance Company P.S.C.

Notes (continued)

### 16. Earnings per share

	<b>(Un-audited)</b> <b>For the three-</b> <b>month period</b> <b>ended</b> <b>31 March 2014</b> <b>AED</b>	<b>(Un-audited)</b> <b>For the three-</b> <b>month period</b> <b>ended</b> <b>31 March 2013</b> <b>AED</b>
Profit for the period	<u><b>20,586,400</b></u>	<u>16,162,576</u>
Weighted ordinary shares of AED 1 each outstanding during the period	<b>100,000,000</b>	100,000,000
Basic earnings per share	<u><b>0.21</b></u>	<u>0.16</u>

The figures for diluted earnings per share are the same as basic earnings per share as the Company has not issued any instruments which would have an impact on earnings per share when exercised.

### 17. Comparative figures

Certain comparative figures have been reclassified where appropriate to conform with the presentation and accounting policies adopted in these condensed interim financial information.