

**HSBC Amanah Takaful (Malaysia)  
Berhad**  
*(formally known as HSBC Amanah Takaful (Malaysia)  
Sdn. Bhd.)*  
(Company No. 731530-M)  
(Incorporated in Malaysia)

**Unaudited Condensed Interim Financial statements  
for the six months period ended 30 June 2014**

**HSBC AMANAH TAKAFUL (MALAYSIA) BERHAD**  
*(formally known as HSBC AMANAH TAKAFUL (MALAYSIA) SDN. BHD.)*  
**UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION**

	<-----As at 30.06.2014----->				<-----As at 31.12.2013----->			
					Restated			
	Takaful Operator	General Takaful Fund	Family Takaful Fund	Company	Takaful Operator	General Takaful Fund	Family Takaful Fund	Company
Note	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
<b>Assets</b>								
Plant and equipment	633	-	-	633	747	-	-	747
Intangible assets	11,850	-	-	11,850	12,146	-	-	12,146
Investment assets	12 124,412	35,159	878,526	1,038,097	120,214	35,249	795,890	951,353
Retakaful assets	13 -	35,968	32,301	68,269	-	31,255	27,496	58,751
Current tax assets	4,241	-	-	2,398	2,664	-	-	896
Loans and receivables, excluding								
takaful receivables	43,141	276	6,798	43,103	53,403	423	11,158	36,549
Takaful receivables	-	5,700	17,780	23,480	-	8,480	11,730	20,210
Deferred tax assets	-	19	-	-	-	3	-	-
Cash and cash equivalents	11,447	14,860	41,430	67,737	8,889	13,463	71,099	93,451
<b>Total assets</b>	<b>195,724</b>	<b>91,982</b>	<b>976,835</b>	<b>1,255,567</b>	<b>198,063</b>	<b>88,873</b>	<b>917,373</b>	<b>1,174,103</b>
<b>Shareholders' equity</b>								
Share capital	100,000	-	-	100,000	100,000	-	-	100,000
Retained earnings	9,493	-	-	9,493	2,917	-	-	2,917
Available-for-sale assets fair value reserve	(389)	-	-	(389)	(163)	-	-	(163)
<b>Total equity</b>	<b>109,104</b>	<b>-</b>	<b>-</b>	<b>109,104</b>	<b>102,754</b>	<b>-</b>	<b>-</b>	<b>102,754</b>
<b>Liabilities</b>								
Takaful contract liabilities	14 -	82,376	935,636	1,018,012	-	78,033	867,666	945,699
Expense reserves	35,922	-	-	35,922	36,019	-	-	36,019
Takaful payables	1,666	3,995	20,186	25,847	2,118	4,063	19,209	25,390
Other payables	18,896	5,611	18,551	35,946	27,916	6,777	28,606	34,864
Current tax liabilities	-	-	1,843	-	-	-	1,768	-
Deferred tax liabilities	3,136	-	619	3,736	2,256	-	124	2,377
Amount due to shareholders	27,000	-	-	27,000	27,000	-	-	27,000
<b>Total liabilities</b>	<b>86,620</b>	<b>91,982</b>	<b>976,835</b>	<b>1,146,463</b>	<b>95,309</b>	<b>88,873</b>	<b>917,373</b>	<b>1,071,349</b>
<b>Total equity and liabilities</b>	<b>195,724</b>	<b>91,982</b>	<b>976,835</b>	<b>1,255,567</b>	<b>198,063</b>	<b>88,873</b>	<b>917,373</b>	<b>1,174,103</b>

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**UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2014**

	Current period ended 30.06.2014				Preceding corresponding period ended 30.06.2013 Restated			
	Takaful Operator RM '000	General Takaful Fund RM '000	Family Takaful Fund RM '000	Company RM '000	Takaful Operator RM '000	General Takaful Fund RM '000	Family Takaful Fund RM '000	Company RM '000
<b>Operating Revenue</b>	42,807	31,060	110,424	145,953	45,705	38,253	110,912	150,933
<b>Takaful operator income</b>	42,548	-	-	-	49,656	-	-	-
Gross contributions	-	30,381	104,126	134,507	-	37,723	104,059	141,782
Contributions ceded to retakaful	-	(4,932)	(12,923)	(17,855)	-	(4,195)	(10,997)	(15,192)
Changes in unearned contribution reserves	-	(135)	-	(135)	-	458	-	458
Actuarial reserves	-	(469)	-	(469)	-	-	-	-
<b>Net earned contributions</b>	-	24,845	91,203	116,048	-	33,986	93,062	127,048
Gross benefits and claims paid	-	(4,820)	(25,967)	(30,787)	-	(8,265)	(17,545)	(25,810)
Claims ceded to retakaful	-	887	7,648	8,534	-	5,002	5,534	10,536
Gross changes in claims liabilities	-	(9,194)	(3,745)	(12,939)	-	(23,544)	(2,507)	(26,051)
Changes in claims liabilities ceded to retakaful	-	6,376	2,669	9,046	-	17,563	2,295	19,858
<b>Net benefits and claims</b>	-	(6,751)	(19,395)	(26,146)	-	(9,244)	(12,223)	(21,467)
Investment income	3,070	679	6,298	11,446	1,768	530	6,853	9,151
Realised gains	-	-	862	862	-	-	5,175	5,175
Fee and commission income	2,163	-	-	118	1,778	-	-	1,778
Fair value gain (unrealised)	-	-	8,223	8,223	-	-	5,151	5,151
(Impairment)/Writeback of receivables	-	(269)	(105)	(374)	-	(186)	18	(168)
Other operating income	11	-	1,370	2,001	-	-	987	987
<b>Other income</b>	5,244	410	16,648	22,276	3,546	344	18,184	22,074
Wakalah fee	-	(16,434)	(23,303)	-	-	(19,816)	(24,121)	-
Commission paid	(13,574)	-	-	(13,574)	(9,195)	-	-	(9,195)
Expense reserves	17	-	-	17	(14,194)	-	-	(14,194)
Management expenses	(22,762)	-	-	(22,762)	(18,491)	-	-	(18,491)
Other expenses	(40)	(1)	(193)	(208)	(290)	(3)	-	(293)
<b>Other expenses</b>	(36,359)	(16,435)	(23,496)	(36,527)	(42,170)	(19,819)	(24,121)	(42,173)
<b>Total profit for the period/Net underwriting surplus from operations</b>	11,433	2,069	64,960	75,651	11,032	5,267	74,902	85,482
<b>Surplus attributable to the participants' risk fund *</b>	-	(1,138)	(2,271)	(3,409)	-	(2,897)	(4,093)	(6,990)
<b>Surplus attributable to Takaful Operator *</b>	-	(931)	(1,880)	-	-	(2,370)	(3,349)	-
<b>Net surplus retained in takaful funds *</b>	-	-	(60,711)	(60,809)	-	-	(66,443)	(67,460)
<b>Profit/Surplus before zakat and taxation</b>	11,433	-	98	11,433	11,032	-	1,017	11,032
Zakat	(179)	-	-	(179)	(129)	-	-	(129)
Taxation	(4,678)	-	(98)	(4,678)	(6,977)	-	(1,017)	(6,977)
<b>Profit for the period attributable to owners of the Company</b>	6,576	-	-	6,576	3,926	-	-	3,926
<b>Other comprehensive income/(expenses)</b>								
<b>Items that may be reclassified subsequently to profit or loss</b>								
Fair value of available-for-sale financial assets								
- Losses arising during the period	(301)	(64)	(2,215)	(2,580)	(248)	(40)	(1,644)	(1,932)
- Tax effect thereon	75	16	177	268	62	10	131	203
Other comprehensive income attributable to takaful operator/ change in participants liabilities	-	48	2,038	2,086	-	30	1,513	1,543
<b>Total other comprehensive expense for the period</b>	(226)	-	-	(226)	(186)	-	-	(186)
<b>Total comprehensive income for the period attributable to owners of the Company</b>	6,350	-	-	6,350	3,740	-	-	3,740

\* Estimated figures, subject to Board of Directors approval

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**UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2014**

	<-----Non-distributable----->			
	Share capital RM '000	Available-for-sale financial assets ("AFS") fair value reserves RM '000	Distributable accumulated (losses)/Retained earnings RM '000	Total RM '000
<b>At 31 December 2013/ At 1 January 2014</b>	100,000	(163)	2,917	102,754
Fair value of AFS financial assets	-	(226)	-	(226)
Total other comprehensive income for the period	-	(226)	-	(226)
Profit for the period	-	-	6,576	6,576
<b>Total comprehensive income for the period</b>	-	(226)	6,576	6,350
<b>At 30 June 2014</b>	100,000	(389)	9,493	109,104
<b>At 31 December 2012/ At 1 January 2013</b>	100,000	368	(8,619)	91,749
Fair value of AFS financial assets	-	(186)	-	(186)
Total other comprehensive income for the period	-	(186)	-	(186)
Profit for the period	-	-	3,926	3,926
<b>Total comprehensive income for the period</b>	-	(186)	3,926	3,740
<b>At 30 June 2013</b>	100,000	182	(4,693)	95,489

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**UNAUDITED CONDENSED STATEMENT OF CASHFLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2014**

	<b>Current period ended 30.06.2014 RM '000</b>	<b>Preceding corresponding period ended 30.06.2013 RM '000</b>
<b>Cash flows from operating activities</b>		
Cash generated from operating activities	42,978	76,254
Income tax paid	(5,313)	(4,955)
<b>Net cash from operating activities</b>	<u>37,665</u>	<u>71,299</u>
<b>Cash flows from investing activities</b>		
Acquisition of intangible assets	(1,362)	(206)
Acquisition of investments	(152,281)	(362,098)
Proceeds from disposal of investments	13,226	285,149
Proceeds from maturities of investments	50,966	25,236
Profit from deposits placed with financial institutions	690	2,881
Profit from government guaranteed bonds	3,434	1,827
Profit from government investment issues	1,636	6,459
Profit from corporate debt securities	8,230	832
Dividend received from quoted equity securities	4,515	1,638
Capital distribution from collective investment scheme	7,567	-
<b>Net cash used in investing activities</b>	<u>(63,379)</u>	<u>(38,282)</u>
<b>Net (decrease)/Increase in cash and cash equivalents</b>	(25,714)	33,017
<b>Cash and cash equivalents as at 1 January</b>	93,451	71,808
<b>Cash and cash equivalents as at 30 June</b>	<u><u>67,737</u></u>	<u><u>104,825</u></u>

Cash and cash equivalents included in the statement of cash flows comprise of the following statement of financial position amounts:

	<b>Current period ended 30.06.2014 RM '000</b>	<b>Preceding corresponding period ended 30.06.2013 RM '000</b>
Deposits with financial institutions	3,164	30,946
Cash and bank balances	64,573	73,879
	<u>67,737</u>	<u>104,825</u>

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**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
AT 30 JUNE 2014**

**1. Basis of preparation**

**Statement of compliance**

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting by the Malaysian Accounting Standards ("MASB"), IAS 34: Interim Financial Reporting by the International Accounting Standards Board ("IASB"), Islamic Financial Services Act 2013 ("IFSA") (effective on 30 June 2013), Takaful Guidelines/Circulars issued by Bank Negara Malaysia ("BNM") and Principles of Shariah.

A Takaful Operator is required to present consolidated financial statements for itself and the Takaful funds it manages and controls in accordance with the requirements of MFRS 127, Consolidated and Separate Financial Statements. The statements of financial position and the statements of profit or loss and other comprehensive income of the Takaful Operator, Family Takaful Fund and General Takaful Fund are supplementary financial information presented in accordance with the requirements of BNM and Takaful Act, 1984 (replaced on 30 June 2013), Islamic Financial Services Act 2013 (effective on 30 June 2013) in Malaysia to segregate assets, liabilities, income and expenses of Takaful funds from its own. The statements of financial position and profit or loss and other comprehensive income of the Takaful Operator include only assets, liabilities, income and expenses of the Takaful Operator, excluding the Takaful funds managed by it. The statements of financial position and profit or loss and other comprehensive income of the Family and General Takaful Fund include only the assets, liabilities, income and expenses of the family solidarity fund and General Takaful Fund that is set up, managed and controlled by the Takaful Operator.

The unaudited interim financial statements should be read in conjunction with the audited annual financial statements of the Company for the financial year ended 31 December 2013. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the year ended 31 December 2013.

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**2. Summary of significant accounting policies**

The accounting policies and presentation adopted by the Company for the condensed interim financial statements are consistent with those adopted by the Company audited financial statements for the financial year ended 31 December 2013, except for the adoption of the followings:

***MFRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 January 2014***

- Amendments to MFRS 10, Consolidated Financial Statements: Investment Entities
- Amendments to MFRS 12, Disclosure of Interests in Other Entities: Investment Entities
- Amendments to MFRS 127, Separate Financial Statements (2011): Investment Entities
- Amendments to MFRS 132, Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
- Amendments to MFRS 136, Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to MFRS 139, Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21, Levies

The adoption of the above revised standards, amendments and interpretation do not have any significant financial impact to the interim financial statements of the Company.

**3. Auditors' report**

The auditors' report on the audited financial statements of the preceding year ended 31 December 2013 did not contain any qualification.

**4. Seasonality of operations**

The Company's operations are not materially affected by seasonal or cyclical factors for the period under review.

**5. Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows in the current period ended 30 June 2014.

**6. Estimates**

There were no material changes in the basis used for accounting estimates for the current period under review.

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**7. Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current period under review.

**8. Dividends**

No dividends was paid during the year and the Directors do not recommend any dividend to be paid for the period under review.

**9. Material Events Subsequent to the End of the Period**

There were no material events subsequent to the end of the period under review that has not been reported in the interim financial statements for the current financial period.

**10. Contingent Liabilities**

There were no contingent liabilities as at the date of this report.

**11. Changes in the composition of the Company**

There is no change in the composition of the Company from the previous audited financial statements.

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**12. Investment assets**

	<b>Takaful Operator RM '000</b>	<b>General Takaful Fund RM '000</b>	<b>Family Takaful Fund RM '000</b>	<b>Company RM '000</b>
<b>At 30 June 2014</b>				
<b>Available-for-sale financial assets</b>				
Government Investment Issues	9,908	-	77,752	87,660
Government Guaranteed bonds	-	10,028	143,511	153,539
Corporate debt securities	114,077	25,131	226,504	365,712
Quoted equity securities	427	-	-	427
<b>Financial assets at fair value through profit or loss</b>				
Government Guaranteed bonds	-	-	23,237	23,237
Corporate debt securities	-	-	45,097	45,097
Collective investment scheme	-	-	302,372	302,372
Structured investments	-	-	46,776	46,776
Quoted equity securities	-	-	13,277	13,277
	<u>124,412</u>	<u>35,159</u>	<u>878,526</u>	<u>1,038,097</u>
<b>Restated</b>				
<b>At 31 December 2013</b>				
<b>Available-for-sale financial assets</b>				
Government Investment Issues	-	10,016	82,663	92,679
Government Guaranteed bonds	10,012	-	144,486	154,498
Corporate debt securities	109,729	25,233	233,136	368,098
Quoted equity securities	473	-	-	473
<b>Financial assets at fair value through profit or loss</b>				
Government Guaranteed bonds	-	-	14,640	14,640
Corporate debt securities	-	-	4,879	4,879
Collective investment scheme	-	-	257,391	257,391
Structured investments	-	-	46,602	46,602
Quoted equity securities	-	-	12,093	12,093
	<u>120,214</u>	<u>35,249</u>	<u>795,890</u>	<u>951,353</u>

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**12. Investment assets (continued)**

**(a) Carrying values of investment assets**

The carrying value of investment assets are stated at fair value. The investment assets are categorised as either available for sales (AFS) or fair value through profit or loss (FVTPL).

	<b>AFS</b> <b>RM '000</b>	<b>FVTPL</b> <b>RM '000</b>	<b>Total</b> <b>RM '000</b>
<b>At 1 January 2013</b>	540,532	258,318	798,850
Purchases	121,195	560,012	681,207
Maturities	(30,315)	-	(30,315)
Disposals	-	(493,164)	(493,164)
Fair value gain recorded in profit or loss	-	10,332	10,332
AFS reserves	(15,022)	-	(15,022)
Amortisation adjustment	(642)	107	(535)
<b>At 31 December 2013</b>	<u>615,748</u>	<u>335,605</u>	<u>951,353</u>
Purchases	44,606	107,675	152,281
Maturities	(50,966)	-	(50,966)
Disposals	-	(13,226)	(13,226)
Fair value gain recorded in profit or loss	-	8,223	8,223
AFS reserves	(2,579)	-	(2,579)
Amortisation adjustment	529	49	578
Capital distribution	-	(7,567)	(7,567)
<b>At 30 June 2014</b>	<u>607,338</u>	<u>430,759</u>	<u>1,038,097</u>

**(b) Fair values of investment assets**

The basis of fair value of investment assets is determined by reference to market closing price in an active market at reporting date.

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**12. Investment assets (continued)**

(c) The following investment assets mature after twelve months:

	<b>Takaful Operator RM '000</b>	<b>General Takaful Fund RM '000</b>	<b>Family Takaful Fund RM '000</b>	<b>Company RM '000</b>
<b>At 30 June 2014</b>				
Available-for-sale financial assets	104,337	25,103	422,670	552,110
Financial assets at fair value through profit or loss	-	-	84,943	84,943
	<u>104,337</u>	<u>25,103</u>	<u>507,613</u>	<u>637,053</u>
<b>Restated</b>				
<b>At 31 December 2013</b>				
Available-for-sale financial assets	89,649	25,233	444,701	559,583
Financial assets at fair value through profit or loss	-	-	36,039	36,039
	<u>89,649</u>	<u>25,233</u>	<u>480,740</u>	<u>595,622</u>

**13. Retakaful assets**

	<b>Note</b>	<b>30 June 2014 RM '000</b>	<b>31 December 2013 RM '000</b>
General takaful fund	14(a)	35,968	31,255
Family takaful fund	14(b)	32,301	27,496
		<u>68,269</u>	<u>58,751</u>

**14. Takaful contract liabilities**

	<b>Note</b>	<b>Gross RM '000</b>	<b>Retakaful RM '000</b>	<b>Net RM '000</b>
<b>At 30 June 2014</b>				
General takaful fund	14(a)	82,376	(35,968)	46,408
Family takaful fund	14(b)	935,636	(32,301)	903,335
		<u>1,018,012</u>	<u>(68,269)</u>	<u>949,743</u>
<b>Restated</b>				
<b>At 31 December 2013</b>				
General takaful fund	14(a)	78,033	(31,255)	46,778
Family takaful fund	14(b)	867,666	(27,496)	840,170
		<u>945,699</u>	<u>(58,751)</u>	<u>886,948</u>

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**14. Takaful contract liabilities (continued)**

**(a) General takaful fund**

**At 30 June 2014**

Provision for claims reported by participants		37,288	(28,872)	8,416
Provision for IBNR		21,864	(6,118)	15,746
Provision for outstanding claims	(i)	59,152	(34,990)	24,162
Provision for unearned contributions	(ii)	15,179	(978)	14,201
Participant's funds	(iii)	8,045	-	8,045
		<u>82,376</u>	<u>(35,968)</u>	<u>46,408</u>

		<b>Gross RM '000</b>	<b>Retakaful RM '000</b>	<b>Net RM '000</b>
<b>At 31 December 2013</b>				
Provision for claims reported by participants		34,263	(24,270)	9,993
Provision for IBNR		15,695	(4,344)	11,351
Provision for outstanding claims	(i)	49,958	(28,614)	21,344
Provision for unearned contributions	(ii)	16,707	(2,641)	14,066
Participants' funds	(iii)	11,368	-	11,368
		<u>78,033</u>	<u>(31,255)</u>	<u>46,778</u>

**(i) Provision for outstanding claims**

<b>At 1 January 2014</b>				
Claims incurred in the current accident period		49,958	(28,614)	21,344
Claims paid during the period		14,014	(7,263)	6,751
		<u>(4,820)</u>	<u>887</u>	<u>(3,933)</u>
<b>At 30 June 2014</b>		<u>59,152</u>	<u>(34,990)</u>	<u>24,162</u>
<b>At 1 January 2013</b>				
Claims incurred in the current accident year		27,431	(13,157)	14,274
Claims paid during the year		35,376	(21,647)	13,729
		<u>(12,849)</u>	<u>6,190</u>	<u>(6,659)</u>
<b>At 31 December 2013</b>		<u>49,958</u>	<u>(28,614)</u>	<u>21,344</u>

**(ii) Provision for unearned contributions**

<b>At 1 January 2014</b>				
Contributions written in the period		16,707	(2,641)	14,066
Contributions earned during in the period		30,381	(4,932)	25,449
		<u>(31,909)</u>	<u>6,595</u>	<u>(25,314)</u>
<b>At 30 June 2014</b>		<u>15,179</u>	<u>(978)</u>	<u>14,201</u>
<b>At 1 January 2013</b>				
Contributions written in the the year		20,109	(5,506)	14,603
Contributions earned during in the year		72,809	(10,134)	62,675
		<u>(76,211)</u>	<u>12,999</u>	<u>(63,212)</u>
<b>At 31 December 2013</b>		<u>16,707</u>	<u>(2,641)</u>	<u>14,066</u>

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**14. Takaful contract liabilities (continued)**

(a) General takaful fund (continued)

(iii) Participants' funds

	<b>30 June 2014 RM '000</b>	<b>31 December 2013 RM '000</b>
Actuarial reserves	1,562	1,354
AFS reserves	(57)	(9)
Revenue account accumulated surplus	6,540	10,023
	<u>8,045</u>	<u>11,368</u>
	<b>30 June 2014 RM '000</b>	<b>31 December 2013 RM '000</b>
<b>Actuarial reserves</b>		
At 1 January	1,354	263
Transfer from surplus	207	1,092
Paid to participants	(468)	(2,529)
Increase in reserves	469	2,528
At 30 June/31 December	<u>1,562</u>	<u>1,354</u>
<b>AFS reserves</b>		
At 1 January	(9)	76
Decrease in reserves	(48)	(85)
At 30 June/31 December	<u>(57)</u>	<u>(9)</u>
<b>Revenue account accumulated surplus</b>		
At 1 January	10,023	9,512
Surplus for the period / year	1,138	4,323
Profit paid to participants	(4,227)	(2,579)
Transferred to actuarial reserve	(207)	(1,092)
Transferred to donation payable account	(105)	(63)
Transferred to withholding tax	(82)	(78)
At 30 June/31 December	<u>6,540</u>	<u>10,023</u>

(b) Family takaful fund

		<b>Gross RM '000</b>	<b>Retakaful RM '000</b>	<b>Net RM '000</b>
<b>At 30 June 2014</b>				
Provision for outstanding claims	(i)	13,829	(11,148)	2,681
Participants' funds	(ii)	921,807	(21,153)	900,654
		<u>935,636</u>	<u>(32,301)</u>	<u>903,335</u>
<b>Restated</b>		<b>Gross RM '000</b>	<b>Retakaful RM '000</b>	<b>Net RM '000</b>
<b>At 31 December 2013</b>				
Provision for outstanding claims	(i)	10,084	(8,479)	1,605
Participants' funds	(ii)	857,582	(19,017)	838,565
		<u>867,666</u>	<u>(27,496)</u>	<u>840,170</u>

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**14. Takaful contract liabilities (continued)**

**(b) Family takaful fund (continued)**

**(i) Provision for outstanding claims**

<b>At 1 January 2014</b>	10,084	(8,479)	1,605
Claims incurred in the current accident period	29,712	(10,317)	19,395
Claims paid during the period	(25,967)	7,648	(18,319)
<b>At 30 June 2014</b>	<u>13,829</u>	<u>(11,148)</u>	<u>2,681</u>
<b>At 1 January 2013</b>	5,099	(4,119)	980
Claims incurred in the current accident year	47,486	(18,690)	28,796
Claims paid during the year	(42,501)	14,330	(28,171)
<b>At 31 December 2013</b>	<u>10,084</u>	<u>(8,479)</u>	<u>1,605</u>

**(ii) Participants' funds**

	<b>Gross RM '000</b>	<b>Retakaful RM '000</b>	<b>Net RM '000</b>
<b>At 30 June 2014</b>			
Actuarial reserves	208,660	(21,153)	187,507
Unallocated surplus	62,202	-	62,202
AFS reserve	(6,990)	-	(6,990)
Surplus payable to participants	310,183	-	310,183
Net asset value attributable to unitholders	<u>347,752</u>	<u>-</u>	<u>347,752</u>
	<u>921,807</u>	<u>(21,153)</u>	<u>900,654</u>
<b>At 1 January 2014</b>	857,582	(19,017)	838,565
Contributions received	71,243	-	71,243
Liabilities paid for death, maturities, surrenders, benefits and claims	(18,319)	-	(18,319)
Benefits and claims experience variation	(1,076)	-	(1,076)
Fees deducted	(18,451)	-	(18,451)
Investment income	4,571	-	4,571
Retakaful reserve credit	2,136	(2,136)	-
Profit paid to participants	(17)	-	(17)
Net asset value attributable to unitholders	26,625	-	26,625
Surplus attributable to Takaful Operator	(1,880)	-	(1,880)
Impairment allowance for receivables	(105)	-	(105)
AFS reserve	(2,038)	-	(2,038)
Deferred tax on fair value gains	(32)	-	(32)
Investment income distribution	5,772	-	5,772
Transfer surplus distribution to other liabilities	(4,966)	-	(4,966)
Others	762	-	762
<b>At 30 June 2014</b>	<u>921,807</u>	<u>(21,153)</u>	<u>900,654</u>

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**14. Takaful contract liabilities (continued)**

**(b) Family takaful fund (continued)**

**Restated**

**(ii) Participants' funds**

	<b>Gross RM '000</b>	<b>Retakaful RM '000</b>	<b>Net RM '000</b>
<b>Restated</b>			
<b>At 31 December 2013</b>			
Actuarial reserves	188,865	(19,017)	169,848
Unallocated surplus	47,391	-	47,391
AFS reserve	(4,952)	-	(4,952)
Surplus payable to participants	305,151	-	305,151
Net asset value attributable to unitholders	<u>321,127</u>	<u>-</u>	<u>321,127</u>
	<u>857,582</u>	<u>(19,017)</u>	<u>838,565</u>
<b>At 1 January 2013</b>			
Contributions received	139,616	-	139,616
Liabilities paid for death, maturities, surrenders, benefits and claims	(28,171)	-	(28,171)
Benefits and claims experience variation	(625)	-	(625)
Fees deducted	(37,093)	-	(37,093)
Investment income	7,937	-	7,937
Retakaful reserve credit	4,951	(4,951)	-
Profit paid to participants	(61)	-	(61)
Net asset value attributable to unitholders	53,196	-	53,196
Surplus attributable to Takaful Operator	(8,472)	-	(8,472)
Impairment allowance for receivables	(48)	-	(48)
AFS reserve	(13,065)	-	(13,065)
Deferred tax on fair value gains	(125)	-	(125)
Deferred surplus	4,346	-	4,346
Investment income distribution	23,911	-	23,911
Others	(2,038)	-	(2,038)
	<u>857,582</u>	<u>(19,017)</u>	<u>838,565</u>
<b>At 31 December 2013</b>	<u>857,582</u>	<u>(19,017)</u>	<u>838,565</u>

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**15. Capital and other commitments**

	Shareholders' fund	
	30 June 2014 RM '000	31 December 2013 RM '000
<b>Capital expenditure commitments</b>		
<b>Intangible assets</b>		
Approved but not contracted for	5,209	7,000

**16. Total capital available**

The capital structure of the Company as at the date of the statement at financial position, consisting of all funds as prescribed under the Risk Based Capital Framework is provided below:

	30 June 2014 RM '000	31 December 2013 RM '000
<b>Eligible Tier 1 Capital</b>		
Share capital	100,000	100,000
Reserve, including retained earnings	6,681	2,920
Valuation surplus maintained in the takaful funds	38,090	24,529
<b>Eligible Tier 2 Capital</b>		
Available-for-sale fair value reserves	(1,990)	(1,059)
Profit sharing investment account	27,000	27,000
<b>Amount deducted from capital</b>	(11,914)	(12,153)
<b>Capital available</b>	<u>157,867</u>	<u>141,237</u>
<b>Total capital available</b>	<u>148,408</u>	<u>139,287</u>

**Total capital available (TCA)**

The TCA considers in totality the capital available in the shareholders' fund as they are fully available to support the risks of the business or to provide a qard when needed.

**17. Change in name**

Effective on 30 April 2014, HSBC Amanah Takaful (Malaysia) Sdn. Bhd. has changed its name to HSBC Amanah Takaful (Malaysia) Berhad.