



**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS  
OF  
GLOBAL INSURANCE LIMITED**

**Opinion:**

We have audited the Financial Statements of **Global Insurance Limited** which comprise the Statement of Financial Position as at 31st December, 2021 and the Statement of Profit or Loss & Other Comprehensive Income, Statement of Profit and Loss Appropriation Account, Statement of Changes in Shareholders' Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements presents fairly, in all material respects, the financial position of the Company as at 31st December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

**Basis for opinion:**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the "Auditors Responsibilities for the Audit of the Financial Statements" section of our report. We are independent Auditors of the Company in accordance with the International Ethics Standards Board for Accountants (IESBA), Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter:**

**a) Agents License:**

A total 115 numbers of Agents were working in the Company during the year under audit of which 101 Agents with renewal licenses, remaining 14 agents license were yet to get the renewal from Insurance Development & Regulatory Authority.

**b) Gratuity Fund & WPPF:**

The Company yet to make any provision against gratuity fund for its employees. On the other also no provision has been made for WPPF, though the Company made payment during the year 2019 against provision of earlier years.

**(c) COVID-19:**

Financial Statements of the Company shows the overall impact of COVID-19 pandemic on the Company's business and financial statements.

**Key Audit Matters:**

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Risk	Our response to the risk
<p><b>Premium Income</b></p> <p>The Company has reported gross premium of Taka 907,439,805 for the year ended 31 December 2021 while Taka 766,873,426 was for the year ended 31 December 2020.</p> <p>Gross general insurance premium comprises the total premium received during the accounting period coverage for which insurance policy has been issued by contracts with Global Insurance Limited.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"><li>• The design and operating effectiveness of key controls around premium income recognition process.</li><li>• Carried out analytical procedures and recalculated premium income for the period.</li><li>• Carried out cut-off testing to ensure unearned premium income has not been included in the premium income.</li><li>• On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register.</li><li>• Ensured on a sample basis that the premium income was being deposited in the designated bank account.</li><li>• Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan.</li><li>• For a sample of insurance contracts tested to see if appropriate level of re-insurance was done and whether that re-insurance premium was deducted from the gross premium.</li><li>• Applying specialist judgment ensured if there is any impairment of the reinsurer.</li><li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</li></ul>
<b>Details of Premium Income have been shown in Note 21.00 to the Financial Statements.</b>	





Risk	Our response to the risk
<b>Estimated liability in respect of outstanding claims whether due or intimated and claim payment.</b>	
<p>This amount represents the claim due or intimated from the insured and involves significant judgment and risk of understatement. As at 31 December 2021 the reported balance under the head of estimated liability in respect of outstanding claims whether due or intimated was Taka 65,937,660 and Claims paid in the year ended 31 December 2021 was Taka 26,037,713 (Outstanding claims as at 31 December 2020 was Taka 55,020,438 and claims paid for the year ended 31 December 2020 was Taka 12,409,529).</p> <p>This provision has a direct impact on the profitability and liquidity of the Company which makes it an important item for key stakeholders. Considering its impact on multiple line items on the financial statements, its sensitivity and importance to key stakeholders, we believe this area possesses high level of risk.</p> <p>This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process.</p> <p>We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"><li>• Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis.</li><li>• Obtained a sample of claimed policy copy and cross check it with claim.</li><li>• Obtained a sample of survey reports Template of Auditors' Report of General Insurance Company in Bangladesh Risk</li></ul> <p>Our response to the risk cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.</p> <ul style="list-style-type: none"><li>• Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate.</li><li>• Reviewed the claim committee meeting minutes about decision about impending claims.</li><li>• Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger.</li><li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</li></ul>
<b>Details of Estimated Liability have been included in Note 10.00 to the Financial Statements.</b>	





### Management Expenses:

Risk	Our response to the risk
<p>The Management Expenses of the Company for the year under review accumulated at Tk. 431,080,591. Whereas it was Tk. 268,281,514 for earlier year (2020). On the other, Net Premium raised to Tk. 639,877,222 from Tk. 499,813,047 that of previous year (2020).</p> <p>During the year the Company paid a total amount of Tk. 26,037,713 on account of claims paid, whereas it was Tk. 12,409,529 for the year 2020.</p>	<p>During the year 2021, the Company earned a total gross premium of Tk. 907,439,805 as against that of Tk. 766,873,426 of 2020. Ratio of increase of earning is 18.33%. During the year 2021 an amount of Tk. 431,080,591 was spent under the head of Expenses of Management against allowable amount of Tk. 269,086,300 which is excess expense for a total amount of Tk. 161,135,057. The percentage of excess expenditure is 17.76%. In maximum cases of expenses head, tendency of increase is very much identical of whom Salary, Allowances, Festival &amp; Incentive bonus, Conveyance, Car maintenance, Car allowances, Printing &amp; Stationary etc. are prominent.</p>
<p><b>Details of Management Expenses have been included in Note 22.00 to the Financial Statements.</b></p>	

### Sundry Debtors (Including Advances, Deposits, Prepayments and others):

Risk	Our response to the risk
<p>Though amount lying under the above head increased significantly from Tk. 274,864,269 to Tk. 287,132,950 yet, there are some accumulated figures in Deposit Clearing A/C and Collection Control A/C, which requires an early adjustment.</p>	<p>The management of the Company should look after to realize/ adjustment of those head of advances at an earliest possible time.</p> <p>If any amount of advances are not at all realizable/adjustable, sufficient provision may be made in the accounts.</p>
<p><b>Details of Sundry Debtors have been included in Note 16.00 to the Financial Statements.</b></p>	

### Other Information:

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958





the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### **Auditors' Responsibilities for the Audit of the Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosure in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore






precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on other Legal and Regulatory Requirements:**

In accordance with the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanation which to best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof.
- b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books.
- c) The Company management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- d) As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief an according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of Comprehensive Income of the Company;
- e) We report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;
- f) The company's Statement of Financial Position and Statement of Profit or Loss & Other Comprehensive Income, Profit or Loss Appropriation Account, Related Revenue Accounts, Statement of Changes in Shareholders' Equity and Statement of Cash Flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- g) The expenditure incurred was for the purpose of the company's business.

  
**AFM ALAMGIR FCA**  
Chief Executive Partner  
Enrolment No - 0268

**ARTISAN**

Chartered Accountants

**DVC: 2205090268AS388191**

Place: Dhaka.

**Dated: 28<sup>th</sup> April, 2022.**

**GLOBAL INSURANCE LIMITED**

Al Razi Complex (12th floor),  
Shaheed Syed Nazrul Islam Sarani,  
166/167, Purana Paltan, Dhaka.

**ARTISAN**  
Chartered Accountants

**Statement of Financial Position**  
**For the year ended 31st December, 2021.**

Capital & Liabilities	Notes	Amount in Taka	
		2021	2020
<b>Share Capital</b>			
<b>Authorised Share Capital</b>		<b>1,000,000,000</b>	<b>1,000,000,000</b>
<b>Issued, Subscribed &amp; Paid up Capital</b>	<b>3.00</b>	<b>405,517,630</b>	<b>405,517,630</b>
<b>Reserve or Contingency Account</b>		<b>136,706,727</b>	<b>111,605,750</b>
Reserve for Exceptional Losses	<b>4.00</b>	77,635,412	57,635,412
General Reserve		4,000,000	4,000,000
Retained Earnings	<b>5.00</b>	55,071,315	49,970,338
<b>Balance of Fund and Account</b>	<b>6.00</b>	<b>256,982,102</b>	<b>200,844,867</b>
Fire Insurance Business		57,477,371	42,265,679
Marine Cargo Insurance Business		156,287,160	115,227,458
Marine Hull Insurance Business		1,718,688	1,532,748
Motor Insurance Business		36,321,433	32,271,574
Miscellaneous Insurance Business		5,177,450	9,547,408
Premium Deposit	<b>7.00</b>	126,760,512	22,744,053
Loans & Overdraft	<b>8.00</b>	3,057,570	38,352,689
Deferred Tax Liability	<b>9.00</b>	6,282,230	6,234,413
<b>Liabilities and Provisions</b>		<b>264,704,430</b>	<b>277,222,422</b>
Estimated Liability in respect of outstanding claims, whether due or intimated	<b>10.00</b>	65,937,660	55,020,438
Amounts due to other Persons or Bodies carrying on Insurance Business	<b>11.00</b>	81,492,920	73,400,693
Sundry Creditors	<b>12.00</b>	113,574,688	129,490,926
Unpaid Dividend		3,699,162	19,310,364
<b>Total</b>		<b>1,200,011,200</b>	<b>1,062,521,823</b>

The annexed notes 1 to 41 form an integral part of these Financial Statements.

  
Chief Executive Officer


  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Dated : 28th April, 2022.

  
AFM Alamgir, FCA  
Chief Executive Partner  
**ARTISAN**  
Chartered Accountants





# GLOBAL INSURANCE LIMITED

Al Razi Complex (12th floor),  
Shaheed Syed Nazrul Islam Sarani,  
166/167, Purana Paltan, Dhaka.

**ARTISAN**  
Chartered Accountants

## Statement of Financial Position For the year ended 31st December, 2021.

Property & Assets	Notes	Amount in Taka	
		2021	2020
Investments	13.00	64,152,847	30,516,000
Interest Receivable	14.00	8,800,584	9,705,778
Amount due from other persons or Bodies			
Carrying on Insurance Business	15.00	102,239,904	148,861,767
Sundry Debtors	16.00	287,132,950	274,864,269
<b>Cash and Bank Balances</b>	17.00	<b>630,049,823</b>	<b>494,250,432</b>
Cash in Hand		730,821	1,025,068
Balance with Banks		54,819,002	47,725,364
FDR with Banks		574,500,000	445,500,000
<b>Other Accounts</b>		<b>107,635,093</b>	<b>104,323,576</b>
Fixed Assets (At cost less depreciation)	18.00	104,572,715	101,605,840
Stock of Printing & Stationery	19.00	1,158,007	1,447,879
Stamp in Hand	20.00	1,904,371	1,269,857
<b>Total</b>		<b>1,200,011,200</b>	<b>1,062,521,823</b>
<b>Net Asset Value (NAV) Per Share</b>	26.00	<b>13.37</b>	<b>12.75</b>

The annexed notes 1 to 41 form an integral part of these Financial Statements.

  
Chief Executive Officer


  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Dated : 28th April, 2022.

  
AFM Alamgir, FCA  
Chief Executive Partner  
ARTISAN  
Chartered Accountants





**GLOBAL INSURANCE LIMITED**

Al Razi Complex (12th floor),  
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166/167, Purana Paltan, Dhaka.

**ARTISAN**  
Chartered Accountants

**Statement of Profit or Loss & Other Comprehensive Income**

For the year ended 31st December, 2021.

Particulars	Notes	Amount in Taka	
		2021	2020
Expenses of Management (Not applicable to any particular Fund or Account)		<b>48,815,945</b>	<b>38,905,456</b>
Advertisement & Publicity		10,305,682	7,960,421
Donation & Subscription		814,333	1,425,000
Audit fees (including CG & P.F. Audit fee)		1,238,450	173,000
Legal & Professional Fees		4,015,500	933,300
Depreciation		10,519,015	9,847,757
Interest on loan		1,699,612	5,527,574
Group Insurance Premium		1,755,969	1,755,969
P.F. Contribution		4,716,585	3,407,008
Fine & Charges		920,000	-
Renewal & Registration Fees		3,964,940	3,616,638
Directors Fee	23.00	4,576,000	2,180,400
Meeting, Conference & AGM expenses		4,289,859	2,078,389
Provision for Profit Bonus	33.00	7,500,000	7,000,000
Balance for the period carried to Profit & Loss App. A/C		<b>90,514,811</b>	<b>90,137,399</b>
<b>Total</b>		<b>146,830,756</b>	<b>136,042,856</b>
<b>Interest &amp; Other Income</b>		<b>32,482,608</b>	<b>28,092,146</b>
Interest Income (Not applicable to any particular Fund or Dividend Income)	24.00	29,410,848	26,040,962
Office Rent Income		849,103	568,664
Misc. Income		-	460,036
P.F Contribution forfeited amount		668,068	-
Adjustment of Share price with faire value	13.03.1	1,019,101	-
		535,488	1,022,484
<b>Profit transferred from</b>		<b>114,348,148</b>	<b>107,950,711</b>
Fire Insurance Revenue Account		(6,540,646)	(1,687,003)
Marine Insurance Revenue Account		101,568,565	78,258,784
Motor Insurance Revenue Account		23,517,055	28,141,559
Misc. Insurance Revenue Account		(4,196,825)	3,237,371
<b>Total</b>		<b>146,830,756</b>	<b>136,042,856</b>
<b>Earning per Share</b>	25.00	<b>1.62</b>	<b>1.53</b>

The annexed notes 1 to 41 form an integral part of these Financial Statements.

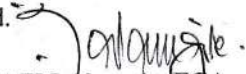
  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date annexed.

  
**AFM Alamgir, FCA**  
Chief Executive Partner  
**ARTISAN**  
Chartered Accountants

Place: Dhaka  
Dated : 28th April, 2022.



**GLOBAL INSURANCE LIMITED**

Al Razi Complex (12th floor),  
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166/167, Purana Paltan, Dhaka.

**ARTISAN**  
Chartered Accountants

**Profit and Loss Appropriation Account**

For the year ended 31st December, 2021.

Particulars	Notes	Amount in Taka	
		2021	2020
Provision for Income Tax	31.00	24,814,254	27,922,072
Deferred Tax Expenses	9.00	47,817	(24,840)
Reserve for Exceptional Loss		20,000,000	12,500,000
Balance transferred to the Balance Sheet		55,071,315	49,970,338
<b>Total</b>		<b>99,933,386</b>	<b>90,367,570</b>
Balance brought forward from last year	5.01	9,418,575	230,171
Net profit for the year brought down		90,514,811	90,137,399
<b>Total</b>		<b>99,933,386</b>	<b>90,367,570</b>

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Chief Executive Officer


  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Dated : 28th April, 2022.

  
AFM Alamgir, FCA  
Chief Executive Partner  
**ARTISAN**  
Chartered Accountants





# GLOBAL INSURANCE LIMITED

Al Razi Complex (12th floor),  
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166/167, Purana Paltan, Dhaka.

**ARTISAN**


Chartered Accountants


## Consolidated Revenue Account For the year ended 31st December, 2021.

Particulars	Notes	Amount in Taka	
		2021	2020
<b>Claims under policies less Re-insurances</b>		<b>36,954,935</b>	<b>34,875,768</b>
Paid during the year		26,037,713	12,409,529
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		65,937,660	55,020,438
Less: Claims outstanding at the end of the previous year		55,020,438	32,554,199
Expenses of Management	22.00	431,080,591	268,281,514
Agent Commission		46,634,725	100,948,464
Profit transferred to profit & loss account		114,348,148	107,950,709
<b>Balance of fund account at the end of the year as shown in the balance sheet:</b>			
Reserve for unexpired risks being 100% for Marine Hull & 40% for other net premium income of the year		256,982,102	200,844,867
<b>Total</b>		<b>886,000,501</b>	<b>712,901,322</b>
Balance of account at the beginning of the year		200,844,867	167,800,686
Premium less Re-insurances	21.00	639,877,222	499,813,046
Commission on Re-insurances		45,278,412	45,287,589
<b>Total</b>		<b>886,000,501</b>	<b>712,901,322</b>

The annexed notes 1 to 41 form an integral part of these Financial Statements.

  
Chief Executive Officer

  
Director


  
Director

  
Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka

Dated : 28th April, 2022.

  
AFM Alamgir, FCA  
Chief Executive Partner  
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Chartered Accountants



**GLOBAL INSURANCE LIMITED**

Al Razi Complex (12th floor),  
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**ARTISAN**  
Chartered Accountants

**Fire Insurance Revenue Account**  
For the year ended 31st December, 2021.

Particulars	Notes	Amount in Taka	
		2021	2020
<b>Claims under policies less Re-insurances</b>		<b>7,423,552</b>	<b>8,373,452</b>
Paid during the year		10,215,063	2,505,061
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		19,916,302	22,707,813
Less: Claims outstanding at the end of the previous year		22,707,813	16,839,422
Agent Commission		15,161,762	32,755,389
Expenses of Management	22.00	141,230,582	90,342,355
Profit transferred to profit & loss account		(6,540,646)	(1,687,003)
<b>Balance of fund account at the end of the year as shown in the balance sheet:</b>			
Reserve for unexpired risks being 40% of net premium income of the year		57,477,371	42,265,679
<b>Total</b>		<b>214,752,621</b>	<b>172,049,872</b>
 Balance of account at the beginning of the year		42,265,679	34,481,828
Premium less Re- insurances	21.00	143,693,427	105,664,198
Commission on Re-insurances		28,793,515	31,903,845
<b>Total</b>		<b>214,752,621</b>	<b>172,049,872</b>

The annexed notes 1 to 41 form an integral part of these Financial Statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Dated : 28th April, 2022.

  
**AFM Alamgir, FCA**  
Chief Executive Partner  
**ARTISAN**  
Chartered Accountants





**GLOBAL INSURANCE LIMITED**

Al Razi Complex (12th floor),  
Shaheed Syed Nazrul Islam Sarani,  
166/167, Purana Paltan, Dhaka.

**ARTISAN**  
Chartered Accountants

**Marine Insurance Revenue Account**

For the year ended 31st December, 2021.

Particulars	Notes	Amount in Taka	
		2021	2020
<b>Claims under policies less Re-insurances</b>		<b>18,295,318</b>	<b>16,715,744</b>
Paid during the year		5,767,874	2,253,085
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		34,678,075	22,150,631
Less: Claims outstanding at the end of the previous year whether due or intimated		22,150,631	7,687,972
Agent Commission		25,253,692	51,014,634
Expenses of Management	22.00	217,333,242	129,759,075
Profit transferred to profit & loss account		101,568,565	78,258,784
<b>Balance of account at the end of the year as shown in the balance sheet:</b>			
Reserve for unexpired risks being 40% of net premium income on marine cargo and 100% of net premium income on marine hull of the year:		<b>158,005,848</b>	<b>116,760,206</b>
Marine Cargo		156,287,160	115,227,458
Marine Hull		1,718,688	1,532,748
<b>Total</b>		<b>520,456,665</b>	<b>392,508,443</b>
Balance of account at the beginning of the year		116,760,206	93,737,416
Premium less Re- insurances	21.00	392,436,588	289,601,393
Commission on Re-insurances		11,259,871	9,169,634
<b>Total</b>		<b>520,456,665</b>	<b>392,508,443</b>

The annexed notes 1 to 41 form an integral part of these Financial Statements.

  
Chief Executive Officer

  
Director


  
Director

  
Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka

Dated : 28th April, 2022.

  
AFM Alamgir, FCA  
Chief Executive Partner  
**ARTISAN**  
Chartered Accountants



**GLOBAL INSURANCE LIMITED**

Al Razi Complex (12th floor),  
Shaheed Syed Nazrul Islam Sarani,  
166/167, Purana Paltan, Dhaka.

**ARTISAN**

Chartered Accountants

**Miscellaneous Insurance Revenue Account**

For the year ended 31st December, 2021.

Particulars	Notes	Amount in Taka			
		2021			2020
		Motor	Misc	Total	Total
<b>Claims under policies less Re-insurances</b>		<b>14,752,394</b>	<b>(3,516,329)</b>	<b>11,236,065</b>	<b>9,786,572</b>
Paid during the year		9,931,220	123,556	10,054,776	7,651,383
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		11,343,283	-	11,343,283	10,161,994
Less: Claims outstanding at the end of the previous year		6,522,109	3,639,885	10,161,994	8,026,805
Agent Commission		4,272,877	1,946,394	6,219,271	17,178,441
Expenses of Management	22.00	44,687,065	27,829,702	72,516,767	48,180,084
Profit transferred to profit & loss account		23,517,055	(4,196,825)	19,320,230	31,378,929
<b>Balance of fund account at the end of the year as shown in the balance sheet:</b>					
Reserve for unexpired risks being 40% of net premium income of the year		36,321,433	5,177,450	41,498,883	41,818,982
<b>Total</b>		<b>123,550,824</b>	<b>27,240,391</b>	<b>150,791,215</b>	<b>148,343,008</b>
Balance of account at the beginning of the year		32,271,574	9,547,408	41,818,982	39,581,441
Premium less Re-insurances	21.00	90,803,582	12,943,625	103,747,207	104,547,456
Commission on Re-insurances		475,668	4,749,358	5,225,026	4,214,110
<b>Total</b>		<b>123,550,824</b>	<b>27,240,391</b>	<b>150,791,215</b>	<b>148,343,008</b>

The annexed notes 1 to 41 form an integral part of these Financial Statements.

  
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## GLOBAL INSURANCE LIMITED

Al Razi Complex (12th floor),  
Shaheed Syed Nazrul Islam Sarani,  
166/167, Purana Paltan, Dhaka.

**ARTISAN**

Chartered Accountants

### Statement of changes in Equity For the year ended 31st December, 2020.

Amount in Taka

Particulars	Share Capital	Reserve for Exceptional	General Reserve	Retained Earnings	Total
Balance as on 01.01.2020	386,207,270	45,135,412	4,000,000	38,850,894	474,193,576
Stock Dividend for 2019	19,310,360	-	-	(19,310,360)	-
Cash Dividend for 2019	-	-	-	(19,310,364)	(19,310,364)
Net Profit after tax	-	-	-	62,240,167	62,240,167
Reserve for Exceptional Loss	-	12,500,000	-	(12,500,000)	-
Balance as on 31.12.2020	405,517,630	57,635,412	4,000,000	49,970,338	517,123,380

### Statement of changes in Equity For the year ended 31st December, 2021.

Particulars	Share Capital	Reserve for Exceptional	General Reserve	Retained Earnings	Total
Balance as on 01.01.2021	405,517,630	57,635,412	4,000,000	49,970,338	517,123,380
Stock Dividend for 2020	-	-	-	-	-
Cash Dividend for 2020	-	-	-	(40,551,763)	(40,551,763)
Net Profit after tax	-	-	-	65,652,740	65,652,740
Reserve for Exceptional Loss	-	20,000,000	-	(20,000,000)	-
Balance as on 31.12. 2021	405,517,630	77,635,412	4,000,000	55,071,315	542,224,357

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date annexed

Place: Dhaka

Dated : 28th April, 2022.

  
AFM Alamgir, FCA  
Chief Executive Partner  
**ARTISAN**  
Chartered Accountants



**GLOBAL INSURANCE LIMITED**

Al Razi Complex (12th floor),  
Shaheed Syed Nazrul Islam Sarani,  
166/167, Purana Paltan, Dhaka.

**ARTISAN**

Chartered Accountants

**Statement of Cash Flows**  
For the year ended 31st December, 2021.

Particulars	Amount in Taka	
	2021	2020
<b>A) Cash flows from operating activities:</b>		
Premium Collection & other Receipts	1,019,923,715	883,166,538
Payments of Mgt. Exp., Commission, Re-Ins., Claim & Others	(713,014,185)	(645,354,824)
Tax paid	(31,365,194)	(39,464,484)
<b>Net Cash flows from operating activities</b>	<b>275,544,335</b>	<b>198,347,230</b>
<b>B) Cash flows from investing activities:</b>		
Acquisition of fixed assets	(13,485,888)	(10,704,070)
Disposal of fixed assets	-	-
Bangladesh Govt. Treasury Bond	(22,200,000)	-
Share Investment	(10,901,359)	13,912,498
<b>Net Cash flows from investing activities</b>	<b>(46,587,247)</b>	<b>3,208,428</b>
<b>C) Cash flows from financing activities:</b>		
Dividend Paid	(56,162,965)	-
SOD loan	(33,856,924)	(31,302,695)
Vehicle Loan	(1,438,195)	(1,263,054)
Margin Loan	-	(22,538,000)
Interest on Loan	(1,699,612)	(5,527,574)
<b>Net Cash flows from financing activities</b>	<b>(93,157,696)</b>	<b>(60,631,323)</b>
<b>D) Net increase in Cash &amp; Bank balances (A+B+C)</b>	<b>135,799,392</b>	<b>140,924,335</b>
<b>E) Opening Cash and Bank balances</b>	<b>494,250,432</b>	<b>353,326,098</b>
<b>F) Closing Cash and Bank balances (D+E)</b>	<b>630,049,823</b>	<b>494,250,432</b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>6.79</b>	<b>4.89</b>

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Dated : 28th April, 2022.

  
AFM Alamgir FCA  
Chief Executive Partner  
**ARTISAN**  
Chartered Accountants





# GLOBAL INSURANCE LIMITED

Al Razi Complex (12th floor),  
Shaheed Syed Nazrul Islam Sarani,  
166/167, Purana Paltan, Dhaka.

**ARTISAN**  
Chartered Accountants

## Notes to the Financial Statements

As at & for the year ended December 31, 2021

### 1.00 Introduction:

#### 1.01 Legal Status:

The GLOBAL INSURANCE LIMITED was incorporated as a public company limited by shares in Bangladesh vide certificate on C-40102(2070)/2000 dated April 23, 2000 under the Companies Act, 1994 and commenced its operation as per Insurance Act, 2010. The certificate of commencement of business was obtained from the Registrar of Joint Stock Companies, Bangladesh. The Company is listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. as a Publicly Traded Company.

#### 1.02 Address of Registered Office and Principal Place of Business :

The registered office of the Company is situated in Bangladesh. Its principal business office is located at Al-Razi Complex (12th Floor), 166-167, Shaheed Syed Nazrul Islam Sarani, Purana Paltan, Dhaka-1000, Bangladesh. The operation of the Company is being carried out through its 62 branches located in different places in Bangladesh.

#### 1.03 Principal Activities of the Company:

The Principal objects of the company is to carry out all kinds of insurance, guarantee and indemnity business other than life insurance business.

### 2.00 Significant Accounting Policies & Other Relevant Information:

**2.01** The Company has adopted relevant International Financial Reporting Standards (IFRSs) with reference to disclosures of accounting policies and notes to the financial statements.

#### 2.02 Basis of Accounting:

The Financial Position have been prepared on the basis of going-concern concept under historical cost convention in accordance with International Financial Reporting Standards (IFRSs).

#### 2.03 Basis of Presentation:

The Financial Position has been prepared in accordance with the regulations as contained in part I of the First Schedule and as per Form 'A' as set forth in part II of that Schedule and the revenue account of each class of general insurance business has been prepared in accordance with the regulations as contained in part I of the Third Schedule and as per Form 'F' as set forth in part II of that Schedule of the Insurance Act, 2010. The Classified summary of the assets is prepared in accordance with Form "AA" of part II of the First Schedule of the said Act.

#### 2.04 Reporting Period :

The financial Statements of the company cover from 1st January 2021 to 31st December 2021 and followed consistently.



## **2.05 Going Concern:**

The financial statements of the entity have been prepared by the management considering the entity as a going concern and the entity is optimistic to continue its business operation for the foreseeable future.

## **2.06 Branch Accounting:**

The Company has 62 branches without having any overseas branch up to the year end December 31, 2021. The financial statements of branches are maintained at the Head office level. Only petty cash books are maintained at the branch for meeting day to day expenses. During 2021 through the operation of 63 offices (Including Head Office) the gross premium income earned by the Company was to Tk. 90,74,39,805.00 including Public Sector business of Tk.6,89,26,239.00 after ceding for re-insurance premium, the net premium for the year amounted to Tk 63,,98,77,222.00 and after charging direct expenses there from the net underwriting profit stood at Tk.114,348,148.00

## **2.07 Statement of Cash Flows:**

Statement of Cash Flows is prepared in accordance with IAS 7: "Statement of Cash Flows" , The Statement of Cash Flows shows the structure of and changes in cash and cash equivalents during the financial year. Cash and Cash equivalents include notes and coins on hand, unrestricted balance held with the commercial banks. It is broken down into operating activities, investing activities and financing activities. The direct method is used to show the cashflows operating activities. According to IAS 7: "Statement of Cash Flows", Cash comprises cash in hand and cash equivalents are short term, highly liquid investment that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Considering the provisions of IAS 7 and IAS 1, cash in hand, fixed deposits and bank balances have been considered as cash and cash equivalents.

## **2.08 Fixed Assets:**

Fixed Assets are stated at cost less accumulated depreciation as per IAS-16: "Property, Plant & Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties, interest and non refundable taxes.

## **2.09 Depreciation on Fixed Assets:**

Depreciation on Fixed Assets are charged on diminishing balance method at rates varying from 2.5% to 30% depending on the estimated useful life of the Assets. Depreciation on additions to Fixed Assets are charged from the date of uses and depreciation is charged to the date of disposal of assets. Gain or loss arising on the disposal or the retirement of asset is determined as the difference between the sale proceeds and the carrying amount of the asset and recognised in the profit and loss account.

## **2.10 Impairment of Assets:**

As required by IAS-36 'Impairment of Assets' the company carried out an impairment test at the end of reporting period to ascertain impairment loss relating to an asset to recognise and disclose the same in the financial statements. But no impairment loss has been arised in such test to recognise in the financial statements.

## **2.11 Public Sector Business:**

The Company's share of Public Sector business for 3 quarters for the period from 1st July, 2020 to 30th June, 2021 received from Sadharan Bima Corporation and other insurance companies has been incorporated in the Company's account for the year ended 31st December, 2021. This system of accounting of public sector business is being followed consistently.





## **2.12 Statement of Changes in Equity:**

The statement of changes in equity is prepared in accordance with IAS 1: "Presentation of Financial Statements".

## **2.13 Revenue Recognition:**

The revenue is recognized after satisfying the relevant condition for revenue recognition as provided in IFRS 15: "Revenue from contracts with customers" in compliance with IFRS 4 "Insurance Contract". Detailed of policy-wise income for revenue recognition is given as under:

### **a) Premium Income:**

The total amount of premium earned on various classes of insurance business underwritten during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Sadharan Bima Corporation, the amount of re-insurance commission earned and the amount of claims less re-insurance settled during the year have all been duly accounted for in the books of account of the company and while preparing the final statements of accounts, the effect of re-insurance accepted and re-insurance ceded as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated have also been duly reflected in the accounts in order to arrive at the net underwriting profit for the year.

### **b) Interest on Statutory Investments:**

Interest on statutory investment is accounted for on accrual basis.

### **c) Gain or Loss on sale of Shares and Debentures:**

Gain or Loss on sale of shares and debentures and dividend income during the year have been shown in the Profit and Loss Account and the tax relief as well as the concession rate of tax as availed under the existing income tax law have been given effect in the financial statements.

## **2.14 Management Expenses:**

Management expenses as charged to Revenue Accounts amount of Tk.431,080,591.00 is approximately 47.51% of gross premium of Tk 907,439,805.00. The expenses have been apportioned 32.76% to Fire, 50.42% to Marine, 10.37% to Motor and 6.45% to Miscellaneous business as per management decision.

## **2.15 Risk Analysis:**

Risk analysis for insurance business is difficult to estimate the uncertainty in taking and managing the risk by chronological identification of unascertained risk, mitigating approach of risk and continuing efforts to equate the risk at reasonable level.

### **(a) Insurance Product Risk:**

In non-life insurance business, the product selection is one of the important factors for the company. Product with less uncertainty with lower cost can facilitate to secure more risk coverage. Accordingly, high risk is more related to the capital strength and credit rating of the company. Necessary provision for un-expired risk @ 40% of net premium income on all business except marine Hull Insurance for which provision have been made @ 100% on net premium income.



**(b) Operational Risk:**

This is in association of all departmental effort within the company to ensure the sufficient coverage for the uncertainty of particular policy selection. It varies in accordance with the nature of products offered to the insured. Guideline for selection of offered product and monitoring the same are effective when fencing the risk at the level of estimate.

**(c) Strategic Market Risk:**

This indicates to identify and quantify the inherent risk of the products for the insured in competitive market. Product with low risk should be encouraged to minimize risk.

**(d) Underwriting Risk:**

This is involved in loss events coverable under contract or agreement with the insured and the volume or size of the coverable loss. It relates to selection, pricing, monitoring and technical provision. However, risk with excessive volume is jointly share by two or more insurers. In such circumstances, non-life insurance business with different products has been carried out with approved guideline.

**(e) Reinsurance Risk:**

Reinsurance has an influence basing the capital strength and rating aspects. Treaty limit is outline by the amount of risk, which can be ceded to other re-insurance. It depends on the nature of risk to be taken by the company. As such, technical provision has been estimated by way of covering the reasonable and probable obligations with respect to claims for known or un-known uncertainty.

**(f) Investment Risk:**

This relates to market, credit and liquidity of the company and as such, investments consist of assets covering the technical provisions and shareholders' equity. Accordingly, investment plan has been designed in such manner to accommodate inherent risk.

**(g) Liquidity Risk:**

This indicates to pay the claim on demand and the company needs to liquidate or convert assets to meet the obligation as and when arise.

**(h) Credit Risk:**

The company follows IDRA instructions with respect to issuing of policies, that is, policies were not issued on credit.

**(i) Default Risk:**

This indicates default in paying off the claims on demand when third party involved in such approach. At the time, the company needs to have sufficient liquidity to pay off the claims on demand and to fulfill the contractual obligation.

**(j) Legal and Regulatory Risk:**

There is legal and regulatory obligation to follow and abide by the restricted rules and regulation in carrying out the business, which do not conform to the competitive market for procuring business. As such, non-compliance to rules and regulation may invite risk to the employment of the company.





#### **2.16 Balance of Fund Account:**

Before arriving at the surplus of each class of business necessary provision for un-expired risk have been created at the rate of 40% of all business except on Marine Hull business for which the provision was made @ 100% of the total net premium for the year 2021.

#### **2.17 Provision for Income Tax:**

Provision for Income Tax have been made as per Income Tax Ordinance 1984 and Financial Act-2021 on taxable income of the company.

#### **2.18 Deferred Tax**

The company has recognised deferred tax as per IAS-12 "Income Taxes". Accordingly, deferred tax liability/assets is accounted for all temporary differences arising between the tax base of the assets and liabilities and their carrying value for financial reporting purpose. Deferred tax is computed at the applicable tax rate on the company.

#### **2.19 Reserve for Exceptional Loss:**

As per para 6 of the 4th schedule, to meet the exceptional losses, company has to set aside maximum 10% (ten percent) of the premium income of the year in which it is set aside from the balance of the profit to the reserve for exceptional losses. The Company made such reserve around 3% of net premium income during the year under review.

#### **2.20 General Reserve:**

The Company creates a general reserve from the year 2007 for an amount of Tk. 4,000,000 on profit to avoid future contingency.

#### **2.21 Employees Benefit:**

The Company operates a contributory provident fund for its permanent employees from the year 2008 which is approved by the National Board of Revenue. The fund is administered by a board of trustees and funded by equal contribution from the company and the employees. The fund is invested separately from the company's assets.

#### **2.22 Earning per Share ( EPS):**

The company has calculated earning per share (EPS) in accordance with IAS-33 as adopted by ICAB: "Earning per Share" which has been shown on the face of Profit and Loss Account and the computation of EPS is stated in Note no. 25.

##### **a) Basic Earnings:**

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

##### **b) Basic Earnings per Share:**

This has been calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding during the year.

##### **c) Diluted Earnings per Share:**

This has been calculated by dividing the basic earning previous year by the weighted average number of ordinary shares outstanding during the year.



### **2.23 Outstanding Premium:**

The outstanding premium appearing in the accounts represents only the amount which relates to the accounting period in the form of cash and cheques in hand and in line with the system followed by the company.

### **2.24 Use of Estimate:**

Preparation of financial statements in conformity with International Accounting Standards (IASs) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities if any at the date of the financial statements, and revenues and expenses during the year report. Actual result could differ from those estimates. Estimates are used in accounting for certain items such as depreciation, outstanding claims, taxes, reserves etc.

### **2.25 Basis of Recognition of Income in Respect of Premium Deposits:**

Amounts received against Cover notes, which have not been converted into policy are recognised as Income before the Cover notes and are converted into policy on expiry of period not exceeding six months in accordance with the Insurance Development & Regulatory Authority (IDRA) Circular.

### **2.26 Investment in Shares:**

Investment in shares is recognised at cost and subsequently measured at fair value and any change in the fair value is recognised in the profit and loss account for the period in which it arises as per IFRS-9 "Financial Instruments".

### **2.27 Components of the Financial Statements:**

As per Insurance Act-2010 section 27 and following the IAS-1 "Presentation of Financial Statements" (as applicable), the company's complete set of financial statements includes the following components:

- a) Statement of Financial Position as at December 31, 2021.
- b) Profit and Loss Appropriation Account for the year ended December 31, 2021.
- c) Statement of Profit or Loss & Other Comprehensive Income for the year ended December 31, 2021.
- d) Revenue Accounts for specific class of business for the year December 31, 2021.
- e) Statement of Cash Flows for the year ended December 31, 2021
- f) Statement of Changes in Equity for the year ended December 31, 2021.
- g) Notes to the financial statements and significant accounting policies as at & for the year ended December 31, 2021.

### **2.28 General:**

- a) Figures in the financial statements are presented in Bangladeshi Taka which is the companies functional and presentational currency.
- b) Figures have been rounded off to the nearest Taka.
- c) Previous year's figures have been rearranged whenever considered necessary to ensure comparability with the current year.





Notes	Amount in Taka	
	2021	2020

### 3.00 Share Capital:

#### Authorised Share Capital

100,000,000 Ordinary shares of Tk. 10 each.

1,000,000,000      1,000,000,000

#### Issued, Subscribed and Paid-up Capital

40,551,763 Ordinary shares of Tk. 10/- each.

405,517,630      405,517,630

The Category-wise share holding position as on 31 December, 2021 is as under:

Category of Shareholders	No. of Shares	(%) of Holding	Amount in Taka
Sponsor (Group-A)	620,743	1.53	6,207,430
Sponsor Directors (Group-A)	11,004,445	27.14	110,044,450
General Public Shareholder Directors (Group-B)	2,705,267	6.67	27,052,670
Independent Director (Group-B)	143,215	0.35	1,432,150
Financial & Other Institutions (Group-B)	3,754,246	9.26	37,542,460
General Public (Group-B)	22,323,847	55.05	223,238,470
<b>Total</b>	<b>40,551,763</b>	<b>100</b>	<b>405,517,630</b>

#### Classification of Shareholders as per share holdings: Group-A

S/N	Class Interval	No. of Shares	No. of Shareholders	Share Holdings (%)	(%) of Total Paid up Capital
1	01-500	-	-	0.00	0.00%
2	501-5,000	-	-	0.00	0.00%
3	5,001-10,000	8,561	1	0.07	0.02%
4	10,001-20,000	-	-	0.00	0.00%
5	20,001-30,000	-	-	0.00	0.00%
6	30,001-40,000	-	-	0.00	0.00%
7	40,001-50,000	-	-	0.00	0.00%
8	50,001-1,00,000	-	-	0.00	0.00%
9	1,00,001-10,00,000	8,020,500	10	68.99	19.78%
10	10,00,001-Over	3,596,127	3	30.93	8.87%
<b>Total</b>		<b>11,625,188</b>	<b>14</b>	<b>100.00</b>	<b>28.67%</b>

#### Classification of Shareholders as per share holdings: Group-B

S/N	Class Interval	No. of Shares	No. of Shareholders	Share Holdings (%)	Total paid up capital (%)
1	01-500	402,446	2116	1.39	0.99%
2	501-5,000	5,362,181	2692	18.54	13.22%
3	5,001-10,000	3,344,997	441	11.56	8.25%
4	10,001-20,000	3,832,053	265	13.25	9.45%
5	20,001-30,000	1,965,029	80	6.79	4.85%
6	30,001-40,000	1,456,216	41	5.03	3.59%
7	40,001-50,000	1,296,569	28	4.48	3.20%
8	50,001-1,00,000	2,563,632	36	8.86	6.32%
9	1,00,001-10,00,000	7,622,078	36	26.35	18.80%
10	10,00,001- Over	1,081,374	1	3.74	2.67%
<b>Total</b>		<b>28,926,575</b>	<b>5736</b>	<b>100.00</b>	<b>71.33%</b>
<b>Grand Total</b>		<b>40,551,763</b>	<b>5750</b>		<b>100.00%</b>

**Name wise shareholding position of sponsor directors and general public share holder directors:**

1	Mr. Sayeed Ahmed	Chairman	1,351,721.00
2	Mr. Shawket Reza	Vice Chairman	811,816.00
3	Mr. Mahabub Morshed Talukder	Sponsor Director	812,821.00
4	Mr. S.M. Sarowar Alam	Sponsor Director	818,038.00
5	Mr. Monoj Kumar Roy	Sponsor Director	811,576.00
6	Ar. Mubasshar Hussain	Sponsor Director	811,031.00
7	Mr. Md. Harunur Rashid	Sponsor Director	903,856.00
8	Mrs. Ishrat Jahan	Sponsor Director	1,015,568.00
9	Mr. Md. Monirul Islam	Sponsor Director	1,228,838.00
10	Mr. Tahsin Aman	Sponsor Director	811,031.00
11	Md. Abdul Khaleque	Sponsor Director	811,676.00
12	Mr. Md. Quamruzzaman	Sponsor Director	816,473.00
13	Mr. Sazzad Arefin Alam	General Public Shareholder Director	1,081,374.00
14	Mr. Syed Badrul Alam	General Public Shareholder Director	811,438.00
15	Mr. Abdul Muqtadir	General Public Shareholder Director	812,455.00

Amount in Taka	
2021	2020

**4.00 Reserve for Exceptional Losses:**

Opening Balance  
Add Addition for the year

57,635,412	45,135,412
20,000,000	12,500,000.00

**Closing Balance**

<b>77,635,412</b>	<b>57,635,412</b>
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**5.00 Retained Earnings:**

Balance brought forward from last year  
Add: Net profit after Tax

9,418,575	230,171
65,652,740	62,240,167

**75,071,315**      **62,470,338**

Less: Reserve for exceptional losses

20,000,000      12,500,000

**Total**

<b>55,071,315</b>	<b>49,970,338</b>
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**5.01 Balance Brought Forward from Last Year:**

Net profit before dividend  
Less: Stock Dividend  
Less: Cash Dividend @ 10%

49,970,338	38,850,894
-	19,310,360
40,551,763	19,310,364

**Total**

<b>9,418,575</b>	<b>230,170</b>
------------------	----------------

**6.00 Balance of Fund and Account:**

Fire Insurance Business  
Marine Cargo Insurance Business  
Marine Hull Insurance Business  
Motor Insurance business  
Miscellaneous Insurance Business

57,477,371	42,265,679
156,287,160	115,227,458
1,718,688	1,532,748
36,321,433	32,271,574
5,177,450	9,547,408

**Total**

<b>256,982,102</b>	<b>200,844,867</b>
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Amount in Taka	
2021	2020
<b>126,760,512</b>	<b>22,744,053</b>

#### 7.00 Premium Deposit:

The amount represents the un-adjusted balance of premium as received against cover notes over the years for which policies have not been issued within December 31, 2021.

#### 8.00 Loans & Overdraft:

Loans  
Car Loan

8.01

-	33,856,924
3,057,570	4,495,765
<b>3,057,570</b>	<b>38,352,689</b>

**Total**

#### 8.01 Loans

United Commercial Bank Ltd., A/c No-107174800028  
United Commercial Bank Ltd., A/c No-107174800039

-	16,981,494
-	16,875,430
-	<b>33,856,924</b>

**Sub-Total**

#### 9.00 Deferred Tax Liability

Opening Balance  
Add: Provision made during the year

6,234,413	6,259,252
47,817	(24,840)
<b>6,282,230</b>	<b>6,234,413</b>

Less: Adjusted during the year

-	-
---	---

**Closing Balance**

<b>6,282,230</b>	<b>6,234,413</b>
------------------	------------------

#### Calculation of Deferred Tax :

Particulars	Account Base Fixed Assets (WDV)	Tax Base Fixed Assets (WDV)	Difference	Applicable Rate	Deferred Tax	Deferred Tax
Fixed Assets	104,572,715	87,820,102	16,752,612	37.50%	6,282,230	6,234,413
<b>Total</b>					<b>6,282,230</b>	<b>6,234,413</b>

#### 10.00 Eastimated Liabilities in Respect of Outstanding Claims whether Due or Intimated:

Fire Insurance  
Marine (Cargo) Insurance  
Motor Insurance  
Miscellaneous Insurance

19,916,302	22,707,813
34,678,075	22,150,631
11,343,283	6,522,109
-	3,639,885

**Total**

<b>65,937,660</b>	<b>55,020,438</b>
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#### 11.00 Amounts due to other Persons or Bodies Carrying on Insurance Business:

Shadharon Bima Corporation :

Opening Balance  
Add: Ceded in this year

73,400,693	58,719,298
122,998,180	92,192,075
<b>196,398,873</b>	<b>150,911,373</b>

Less: Paid in this year  
Less: Adjustment with Claim Recoverd  
Less: Adjustment with SBC  
Less: Adjustment with SBC

15.00

15.00

52,302,591	62,805,729
-	2,919,295
53,295,717	-
9,307,645	11,785,656

**Closing Balance**

<b>81,492,920</b>	<b>73,400,693</b>
-------------------	-------------------

Amount in Taka	
2021	2020

**12.00 Sundry Creditors (including provision for Expenses & Taxes):**

Office rent	-	30,000
Audit fees	682,450	870,500
Utility and Telephone Bills	149,353	150,402
VAT deducted at source	273,611	322,157
Income tax on Salary (TDS)	329,550	139,900
Income tax deduction (Office rent)	42,588	-
Security deposit against office rent	-	115,000
Tax deduction at source	605,965	662,965
GIL foundation	5,000	5,000
Share application money refundable	-	846,736
Salary & Allowance	22,152,938	20,484,197
Claim payable to party	71,204,979	79,716,941
Other party	213,680	-
Profit bonus	33.00 7,102,156	11,250,000
WPPF	32.00 1,981,128	1,981,128
VAT on Premium	9,727,545	7,939,980
P.F Contribution	1,128,121	449,457
Income Tax Provision	30.00 (2,024,376)	4,526,565
<b>Total</b>	<b>113,574,688</b>	<b>129,490,926</b>



Notes	Amount in Taka	
	2021	2020

### 13.00 Investment:

Statutory Deposits: Bangladesh Govt. Treasury Bond	13.01	25,000,000	25,000,000
Investment with Bangladesh Govt. Treasury Bond	13.02	22,200,000	-
Share of Listed Companies	13.03	16,952,847	5,516,000
<b>Total</b>		<b>64,152,847</b>	<b>30,516,000</b>

### 13.01 Statutory Deposits: Bangladesh Govt. Treasury Bond:

Durations	Issue date	Maturity date	BP ID	Rate (%)	Taka 2021	Taka 2020
10 Years	16.07.2014	16.07.2024	BD0924031109	11.59	9,000,000	9,000,000
10 Years	13.03.2013	13.03.2023	BD0923341103	12.10	16,000,000	16,000,000
<b>Total</b>					<b>25,000,000</b>	<b>25,000,000</b>

The amount has been kept in Bangladesh Bank as statutory deposits as per requirement under section 23 of the Insurance Act, 2010 and the deposits are not permissible for encashment without prior permission of the IDRA. Accrued interest on such bond amount upto December 31, 2021 has been accounted for.

### 13.02 Investment with Bangladesh Govt. Treasury Bond:

10 Years	19.10.2021	19.10.2031	BD0931561106	6.80%	22,200,000	-
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Investment with BGTB has been created as per Circular of IDRA, S.R.O. No-353-Act/2019.

### 13.03 Share of Listed Companies:

**16,952,847**      **5,516,000**

As on 31.12.2021, the following shares were in the investment account of the company with the stock broker (Mercantile Bank Securities Ltd., Vantage Securities Ltd. & ICB Securities Trading Co. Ltd. ). Details of which including cost price are shown below:

Name of the Company	No of Share	Cost Price per share	Total Cost	Total Market Price as on	Difference
Fareast Life Insurance Ltd.	15,000	79.72	1,195,741	805,500	(390,241)
Green Delta Mutual Fund	400,000	10.00	4,000,000	2,960,000	(1,040,000)
Pubali Bank Ltd.	50,000	53.78	2,689,244	1,340,000	(1,349,244)
S Alam Cold Rolled Steels Ltd.	25,000	77.11	1,927,676	630,000	(1,297,676)
Mercantile Bank Ltd	425,000	16.04	6,816,416	7,225,000	408,584
Southeast Bank Bank Ltd	72,245	16.42	1,186,373	1,119,798	(66,575)
Jamuna Bank Ltd	106,492	24.14	2,570,251	2,523,860	(46,391)
Al Arafah Islami Bank Ltd	12,500	26.27	328,319	328,750	431
Exim Bank Ltd.	1,570	-	-	19,939	19,939
<b>Total</b>	<b>1,107,807</b>		<b>20,714,020</b>	<b>16,952,847</b>	<b>(3,761,174)</b>

Fair market price (Tk.1,69,52,847/-) has been taken into consideration, which includes unrealised loss (Tk. 37,61,174/-) has been adjusted with earlier years reserve. (Note-13.03.1)



Amount in Taka	
2021	2020

### 13.03.1 Changes In fair value of of the shares:

Fair Value of Shares (Market Value)  
Cost of Shares  
Un-realised loss

16,952,847	5,516,000
20,714,020	9,812,662
<b>(3,761,174)</b>	<b>(4,296,662)</b>

Fair value reserve at (1st January, 2021)  
Less: Loss adjustment against Sales of Shares

4,296,662	19,800,369
-	14,481,223
<b>4,296,662</b>	<b>5,319,146</b>
3,761,174	4,296,662
<b>535,488</b>	<b>1,022,484</b>

Less: Un-realised loss  
Balance of Unrealised Gain

### 14.00 Interest Receivable:

Opening Balance  
Add: Interest Income

9,705,778	8,778,367
29,410,848	26,040,962
<b>39,116,626</b>	<b>34,819,329</b>
30,316,043	25,113,551
<b>8,800,584</b>	<b>9,705,778</b>

Less: Interest received  
Closing Balance

### 15.00 Amount due from other persons or Bodies Carring on Insurance Business:

These represent the amount receivable from insurance companies on account of co-insurance premium and claim as at December 31, 2021.

Opening Balance  
Add: Receivable from SBC against PSB  
Add: Receivable from SBC against Claim

148,861,767	148,861,767
9,307,645	14,180,562
6,673,854	-
<b>164,843,266</b>	<b>163,042,329</b>
53,295,717	-
9,307,645	14,180,562
<b>102,239,904</b>	<b>148,861,767</b>

Less: Adjusted with SBC Account ( PSB 2013 to 2018)  
Less: Adjusted with SBC Account  
Closing Balance

### 16.00 Sundry Debtors (Including Advance, Deposits, Prepayment and Others):

Advance against office rent  
Advance against other parties  
Deposit Clearing A/C  
Advance against salary  
Collection Control A/C  
Rent receivable  
MBL & Vantage Securities Limited  
IPO Share Application  
Total

16.01

7,141,860	5,604,490
1,308,220	7,581,114
72,753,245	65,485,032
252,000	154,670
192,941,178	194,563,367
1,175,240	1,347,840
100,867	127,756
11,460,340	-
<b>287,132,950</b>	<b>274,864,269</b>

### 16.01 Collection Control A/C:

Opening Balance  
Add: Receivable during the year  
Less: Adjusted with deposit clearing A/C  
Closing Balance

194,563,367	267,969,415
89,452,100	21,313,143
<b>284,015,467</b>	<b>289,282,558</b>
91,074,290	94,719,191
<b>192,941,178</b>	<b>194,563,367</b>

The management considers the above receivable are good and collectible in due course.





Amount in Taka	
2021	2020

#### 17.00 Cash & Bank Balances:

##### Cash in hand:

Head office

Branch offices

730,821

1,025,068

478,026

407,403

252,795

617,665

##### Cash at bank:

Short Term Deposit Accounts

Current Accounts

Fixed Deposit Accounts

629,319,002

493,225,364

42,930,602

40,099,016

11,888,401

7,626,348

574,500,000

445,500,000

##### Total

630,049,823

494,250,432

#### 18.00 Fixed Assets (at WDV):

Office Space

Furniture & Fixture

Motor Vehicles

Office Decoration

Computer

Air Conditioner

Office Equipment

Software

Total

56,608,369

58,059,866

4,399,774

3,873,909

29,721,694

27,233,299

2,595,346

2,525,569

3,052,863

2,629,572

2,241,276

1,843,534

3,858,455

3,506,762

2,094,937

1,933,330

104,572,715

101,605,840

#### 18.01 Cost of Fixed Assets:

Opening Balance

Add: Addition during the year

##### Total Cost

Less Accumulated Depreciation

Opening Balance

Add: Depreciation charged during the year

##### Total Accumulated Depreciation

##### Written Down Value

171,541,217

160,837,147

13,485,888

10,704,070

185,027,105

171,541,217

69,935,377

60,087,620

10,519,014

9,847,757

80,454,390

69,935,377

104,572,715

101,605,840

Schedule of Fixed Assets has been given in Annexure-A

#### 19.00 Stock of Printing & Stationery:

Opening Balance

Add: Purchases during the year

Less: Used during the year

##### Closing Balance

1,447,879

1,335,321

11,436,848

9,927,558

11,726,720

9,815,000

1,158,007

1,447,879

Amount in Taka	
2021	2020

#### 20.00 Stock of Insurance Stamp:

Opening Balance  
Add: Purchases during the year  
Less: Used during the year  
**Closing Balance**

1,269,857	1,500,264
43,213,007	25,477,724
42,578,493	25,708,131
<b>1,904,371</b>	<b>1,269,857</b>

#### 21.00 Premium Income Less Reinsurance:

Business	Gross Premium			Re-Insurance ceded	Net Premium	Net Premium
	Private	Public	Total			
Fire Insurance	288,883,123	8,412,220	297,295,343	153,601,916	143,693,427	105,664,198
Marine Insurance	435,916,598	21,577,520	457,494,118	65,057,530	392,436,588	289,601,393
Motor Insurance	90,888,137	3,179,706	94,067,843	3,264,261	90,803,582	80,678,936
Misc. Insurance	22,825,708	35,756,793	58,582,501	45,638,876	12,943,625	23,868,520
<b>Total</b>	<b>838,513,566</b>	<b>68,926,239</b>	<b>907,439,805</b>	<b>267,562,583</b>	<b>639,877,222</b>	<b>499,813,046</b>

#### 22.00 Management Expenses:

The expenses have been charged to Revenue Accounts on product basis of Gross Premium earned or direct business as under:

Fire Insurance Business	32.76	141,230,582	90,342,355
Marine Cargo Insurance Business	50.42	217,333,242	129,759,075
Motor Insurance Business	10.37	44,687,065	29,276,992
Miscellaneous Insurance Business	6.45	27,829,702	18,903,092
<b>Total</b>	<b>100%</b>	<b>431,080,591</b>	<b>268,281,514</b>

#### 22.01

Sl	Head of Accounts	2021	2020
1	Salary & Allowances	357,277,778	193,518,663
2	Festival & Incentive	21,638,947	18,956,501
3	Office rent, rates & taxes	13,069,437	11,750,664
4	Printing & Stationery	3,150,620	3,720,200
5	Car Allowances	6,741,807	6,257,440
6	Bank charges	1,045,976	809,287
7	Books, papers & periodicals	200,576	248,759
8	Brokerage commission	500	-
9	Car fuel	654,768	393,168
10	Car maintenance	1,880,757	2,125,716
11	Conveyance	2,735,257	2,624,751
12	Croceries	39,400	7,370
13	Electricity & WASA expenses	2,742,636	2,539,022
14	Entertainment	1,788,497	1,976,419
15	Penalty	-	300,000
16	Insurance premium Car	178,801	102,066
17	Internet expenses	1,166,223	1,087,218
18	Office maintenance	2,834,030	3,435,955
19	New Year celebration	1,710,735	87,132



		Amount in Taka	
		2021	2020
20	Postage, revenue stamps & telegram	1,150,311	775,686
21	Picnic expenses	-	6,771,187
22	Pre Inspection fees	237,500	
23	Service Charges Co-Insurance	54,668	186,465
24	SBC expenses on PSB	5,209,323	4,686,831
25	Service charges-Office	806,079	1,261,583
26	Solicitor fees	89,820	-
27	Telephone (Mobile phone) expenses	3,066,210	2,673,480
28	Telephone & Telex expenses	341,960	374,411
29	Training fees	79,180	79,200
30	Traveling,TA & DA expenses	329,561	562,630
31	Uniform expenses	-	44,505
32	Insurance Stamp expenses	859,234	925,205
<b>Sub Total</b>		<b>431,080,591</b>	<b>268,281,514</b>
Sl	<b>Break up of Insurance Stamp Expenses</b>		
1	Fire	610,000	427,250
2	Marine		
3	Motor	244,834	464,755
4	Miscellaneous	4,400	33,200
<b>Total</b>		<b>859,234</b>	<b>925,205</b>



Amount in Taka	
2021	2020
4,576,000	2,180,400

**23.00 Directors Fees:**

During the year under review an amount of Tk.45,76,000/- was paid to the Directors of the company as Board and committee meeting attendance fees.

**24.00 Interest Income:**

Interest on Bangladesh Govt. Treasury Bond  
Interest on Fixed Deposit  
Interest on Short Term Deposit

3,281,020	2,979,100
25,602,979	22,453,406
526,849	608,456
<b>29,410,848</b>	<b>26,040,962</b>

**Total**

**25.00 Earning Per Share (EPS) :**

The earning per share of the company is as follows:

Earning attributable to ordinary share holders (Profit after tax)  
Weighted average number of ordinary shares outstanding

65,652,740	62,240,167
40,551,763	40,551,763
<b>1.62</b>	<b>1.53</b>

**Earning Per Share (EPS) :**

**26.00 Net Assets Value (NAV) Per Share :**

Net Assets Valu per share of the company is as follows:

Net Assets  
Weighted average number of ordinary shares outstanding

542,224,357	517,123,380
40,551,763	40,551,763
<b>13.37</b>	<b>12.75</b>

**Net Assets Value (NAV) Per Share :**

**27.00 Net Operating Cash Flows Per Share (NOCFPS):**

Net Operating Cash Flow per share of the company is as follows:

Cash Flows from Operating Activities  
Weighted average number of ordinary shares outstanding

275,544,335	198,347,230
40,551,763	40,551,763
<b>6.79</b>	<b>4.89</b>

**Net Operating Cash Flows Per Share (NOCFPS):**

**28.00 Key management personnel compensation:**

As per IAS-24 paragraph 17 "Related Party Disclosure" - the company has not undertaken any key management personnel compensation for any of the the following categories:

- a) Post -employment benefits;
- b) Other long -term benefits;
- c) Termination benefits; and
- d) Share based payment.



Amount in Taka	
2021	2020

## 29.00 Related Party transactions:

As per International Accounting Standards: 24 Related Party Disclosures, parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over other party in making financial and operating decisions. The company has not incurred any related party transaction during the periods covered by the financial statements.

## 30.00 Income Tax Provision:

Provision for income tax	30.01	256,782,005	231,967,751
Less: IncomeTax paid in advance	30.02	258,806,380	227,441,186
<b>Total</b>		<b>(2,024,376)</b>	<b>4,526,565</b>

## 30.01 Provision for Income Tax:

Opening Balance		231,967,751	204,045,679
Add. Provision made during the year	31.00	24,814,254	27,922,072
		<b>256,782,005</b>	<b>231,967,751</b>
Less: Adjustment on completion of assessment		-	-
<b>Closing Balance</b>	<b>30.01.01</b>	<b>256,782,005</b>	<b>231,967,751</b>

## 30.01.01 Provision for Income Tax consists of the following:

Income year-2005 (AY:-2006-2007)	16,176,903	16,176,903
Income year-2006 (AY:-2007-2008)	6,200,363	6,200,363
Income year-2007 (AY:-2008-2009)	7,094,131	7,094,131
Income year-2008 (AY:-2009-2010)	9,661,284	9,661,284
Income year-2009 (AY:-2010-2011)	4,486,640	4,486,640
Income year-2010 (AY:-2011-2012)	4,937,744	4,937,744
Income year-2011 (AY:-2012-2013)	12,986,800	12,986,800
Income year-2012 (AY:-2013-2014)	18,837,088	18,837,088
Income year-2013 (AY:-2014-2015)	21,821,380	21,821,380
Income year-2014 (AY:-2015-2016)	22,901,711	22,901,711
Income year-2015 (AY:-2016-2017)	20,358,489	20,358,489
Income year-2016 (AY:-2017-2018)	11,795,662	11,795,662
Income year-2017 (AY:-2018-2019)	9,653,370	9,653,370
Income year-2018 (AY:-2019-2020)	11,744,891	11,744,891
Income year-2019 (AY:-2020-2021)	25,389,223	25,389,223
Income year-2020 (AY:-2021-2022)	27,922,072	27,922,072
Income year-2021 (AY:-2022-2023)	24,814,254	-
<b>Total</b>	<b>256,782,005</b>	<b>231,967,751</b>

## 30.02 Income Tax paid in advance:

Opening Balance		227,441,186	187,976,702
Add: Tax paid during the year	30.02.1	31,365,194	39,464,484
		<b>258,806,380</b>	<b>227,441,186</b>
Less: Adjustment on completion of assessment		-	-
<b>Closing Balance</b>		<b>258,806,380</b>	<b>227,441,186</b>

Amount in Taka	
2021	2020

### 30.2.1 Income Tax Paid in Advance:

Direct Income Tax paid	27,764,369	36,843,837
Tax deduct at source:		
From FDR interest	2,663,872	2,111,484
From dividend income	164,821	113,732
From Govt. Treasury Bond Interest	148,955	74,477
From Short Term Deposit Interest	54,300	60,844
On Vehicles	568,877	260,110
<b>Total</b>	<b>31,365,194</b>	<b>39,464,484</b>

### 30.02.02 Income Tax paid consists of the following:

Income year-2005 (AY:-2006-2007)	8,297,547	8,297,547
Income year-2006 (AY:-2007-2008)	6,185,042	6,185,042
Income year-2007 (AY:-2008-2009)	5,234,917	5,234,917
Income year-2008 (AY:-2009-2010)	7,500,813	7,500,813
Income year-2009 (AY:-2010-2011)	5,190,099	5,190,099
Income year-2010 (AY:-2011-2012)	6,122,069	6,122,069
Income year-2011 (AY:-2012-2013)	15,121,518	15,121,518
Income year-2012 (AY:-2013-2014)	19,654,852	19,654,852
Income year-2013 (AY:-2014-2015)	22,251,812	22,251,812
Income year-2014 (AY:-2015-2016)	23,249,371	23,249,371
Income year-2015 (AY:-2016-2017)	21,528,077	21,528,077
Income year-2016 (AY:-2017-2018)	13,246,165	12,089,221
Income year-2017 (AY:-2018-2019)	8,198,741	8,198,741
Income year-2018 (AY:-2019-2020)	11,744,891	11,744,891
Income year-2019 (AY:-2020-2021)	39,757,569	39,757,569
Income year-2020 (AY:-2021-2022)	27,922,072	15,314,647
Income year-2021 (AY:-2022-2023)	17,600,825	-
<b>Total</b>	<b>258,806,380</b>	<b>227,441,186</b>

### 31.00 Taxable Income and Income Tax Liability

Net income as per Profit & Loss Account	90,514,811	90,137,399
Less: Reserve for Exceptional Loss	20,000,000	12,500,000
(Exempted from Tax as per 4th Schedule Clause # 6 (2) of ITO 1984)		
<b>Total</b>	<b>70,514,811</b>	<b>77,637,399</b>
<b>Add: Depreciation on Account Base</b>	<b>10,519,015</b>	<b>9,847,757</b>
<b>Less: Depreciation on Tax Base</b>	<b>(10,649,725)</b>	<b>(9,781,822)</b>
<b>Total Income</b>	<b>70,384,101</b>	<b>77,703,334</b>
<b>Less:</b>		
Office Rent	-	460,036
Interest (FDR & STD)	26,129,828	23,061,862
Interest on Govt. Treasury Bond	3,281,020	2,979,100
Dividend	849,103	568,664
Unrealised Gain	535,488	-
Others (Misc. Income)	668,068	-
P.F Contribution forfeited amount	1,019,101	-
<b>Income/(loss) from Insurance Business</b>	<b>37,901,493</b>	<b>50,633,672</b>



	Amount in Taka	
	2021	2020
<b>Computation of Income Tax:</b>		
1) Tax on Business Income @ 37.5%	14,213,060	18,987,627
2) Tax on Misc. Income @ 37.5%	-	-
3) Tax on Office Rent Income @ 37.5%	-	172,514
4) Tax on Interest Income @ 37.5%	9,798,685	8,648,198
5) Tax on interest on Govt. Treasury Bond @0%	-	-
5) Tax on Dividend Income @ 20%	169,821	113,733
6) Unrealised Gain/(Loss)	-	-
7) Other Income @ 37.5%	250,526	
8) P.F Contribution forfeited amount @ 37.5%	382,163	
<b>Income Tax liability for the year</b>	<b>24,814,254</b>	<b>27,922,072</b>

### 32.00 Provision For WPPF

Opening Balance	1,981,128	1,981,128
Add: Provision made during the year	-	-
	<b>1,981,128</b>	<b>1,981,128</b>
Less: Payment & Adjustment during the year	-	-
<b>Closing Balance</b>	<b>1,981,128</b>	<b>1,981,128</b>

Management of the Company decided not to provide against WPPF as per reference no. 53.03.0000.075.22.29.2021.30 dated June 02, 2021 of Insurance Development and regulatory authority.

### 33.00 Provision for Profit Bonus:

Opening Balance	11,250,000	4,250,000
Add: Provision for the year	7,500,000	7,000,000
	<b>18,750,000</b>	<b>11,250,000</b>
Less: Payment & Adjustments	11,647,844	-
<b>Closing Balance</b>	<b>7,102,156</b>	<b>11,250,000</b>

Profit bonus are paid to the employees as per approval of board of directors.

### 34.00 Cash Flow from operating activities under indirect method:

Net profit before tax	90,514,811	90,137,399
Adjustment for non-cash item:		
Depreciation	10,519,015	9,847,757
Interest Expenses	1,699,612	5,527,574
Changes In Fair Value of Shares	(535,488)	(1,022,484)

<b>102,197,950</b>	<b>104,490,246</b>
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### Changes in Working Capital:

Increase/(Decrease) of Interest Receivable	905,195	(927,412)
Increase/(Decrease) Amount due from other	46,621,863	-
Increase/(Decrease) of Sundry Debtors	(12,268,680)	44,863,273
Increase/(Decrease) of Stationery	289,872	(112,558)



	Amount in Taka	
	2021	2020
Increase/(Decrease) of Stamp in hand	(634,514)	230,407
Increase/(Decrease) of Balance of fund and accounts	56,137,234	33,044,182
Increase/(Decrease) of Premium Deposit	104,016,459	12,867,341
(Increase)/Decrease of Estimated liability in respect of outstanding claims, where due or intimation	10,917,222	22,466,239
(Increase)/Decrease amount due to other persons or bodies carrying on insurance business	8,092,227	14,681,395
(Increase)/Decrease of Sundry creditor and others	(9,365,299)	6,208,601
	<b>204,711,579</b>	<b>133,321,468</b>
Tax paid during the year	(31,365,194)	(39,464,485)
<b>Total</b>	<b>275,544,335</b>	<b>198,347,230</b>

### 35.00 Contingent Liabilities:

#### Income Tax:

There were a total claim of Tk. 16,43,55,846/= from National Board of Revenue (NBR) against the Income Tax assessment for the last 16 years years (2006-07 to 2021-2022) i.e. upto income year 2020. However the company went for reference of the Honourable High Court, except 2016-2017, which is Appealate Tribunal. The cases of 2018-2019, 2019-2020 & 2020-2021 are under appeal and the rest 1 year are under assessment with the Deputy Commissioner of Taxes (DCT).

### 36.00 Board Meeting:

During the year 2021 the Company had 19 members Board of Directors and held 13 Board meetings. Board of Directors of the Company has formed other Committees and Sub-committees like Executive Committee, Claims Committee and Audit Committee. Regular meetings of those Committees were also held during the current year.

### 37.00 Employees:

Total number of employees of the company is 735. None of them received salary below Tk. 5,000 per month.

### 38.00 Credit Facility:

There was no credit facility available to the company under any contract availed of as on 31st December, 2021 other than trade credit available in the ordinary course of business.

### 39.00 Events After The Reporting Period:

- (i) There was no significant event that has occurred between the Financial Position date and the date when the financial statements are authorized for issue by the Board of Directors except the following:

(ii) **Proposed Dividend:**

Dividend if any proposed by the Board of Directors for the year under review shall be accounted for after the approval of the shareholders in the Annual General Meeting. The said proposed dividend has not been recognized as liability in the Financial Statements in accordance with the IAS-10 "Event after the Financial Statement Date". IAS-1 "Presentation of Financial Statements" also requires the dividend proposed after the Financial Statement date but before the financial statements are authorized for issue, be disclosed either on the face of the Financial Statement as a separate component of equity or the notes to the financial statements. Accordingly, the Company has disclosed on notes to the financial statements. The Board of Directors recommends 12% Cash Dividend for the year ended December 31, 2021, for all the shareholders of the Company on the basis of the above Audited Financial Statements subject to approval of the 22nd AGM, Date: 30th July, 2022.





#### **40.00 IFRS 16: Lease**

Initial application of IFRS-16 Leases came into effect on 1st January 2019. IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets.

In compliance with the standard, the management of the company has elected to use the recognition exemptions in the standard for short-term leases and leases of low value items. In such cases the lease are accounted for as short term leases and the lease payments associated with them are recognized as expenses for short term lease. The management of the company opted not to adopt the new standard in the current financial year and decided to implement IFRS 16 from 01 January 2022 and onward.

#### **41.00 Impact of Covid :**

There was an outbreak of the global pandemic COVID-19 on March, 2020 which adversely impacted the revenue of the company for the period from April 2020 to December 2020 and also that was continued almost for the whole year 2021. However, the revenue of the company was in the same pace of regular and normal business during the year 2021 .

#### **41.01 Response to address the COVID-19 effects:**

COVID-19 poses existential threats on the ability of a business to survive, which in turn have significant financial reporting impacts-from going concern and liquidity to recoverability and valuation of assets.

Global Insurance Ltd. has taken and will take various measures to keep the Company's going concern status.

- i) To ensure the safety of the employees, company ensured adequate safety and health measures for the employee like social distancing and working from home to ensure the safety of the employees.
- ii) For regular monitoring Global Insurance Ltd. introduced and implemented contingency plans for liquidity and putting into control.
- iii) Effective cost control measures are already in place to combat the unprecedented situation.
- iv) Reduced certain expenses which is required in normal business scenario but not 100% applicable during overall slowdown of macroeconomic and industry specific environment.

Furthermore, the management is continuously monitoring GIL's key ratios and is confident enough to undertake all crisis management and business continuity measures. Through conducting stringent review and an assesment of the levels of facilities expected to be available to the company, the management strongly believes that the GIL'S has adequate resources for a period of at least 12 months from the date of authorized for issue of the financial statements.

So, based on the facts and circumstances known at this moment, the management believes there is no material uncertainty that may cast any doubt upon the GIL'S ability to continue as a going concern.

# GLOBAL INSURANCE LIMITED

Al Razi Complex (12th floor),  
Shaheed Syed Nazrul Islam Sarani,  
166/167, Purana Paltan, Dhaka.

**ARTISAN**


Chartered Accountants

## Form "AA" Classified Summary of Assets As on December 31, 2021.

Class of Assets	Amount in Taka	Remarks
	Book Value	
Investment in Share & Bangladesh Govt. Treasury Bond)	64,152,847	Realizable Value
Amount due from other persons or bodies carrying on insurance business	102,239,904	Realizable Value
Fixed Deposits Accounts	574,500,000	Cash
Current & Short Term Deposit Accounts	54,819,002	Cash
Cash in Hand	730,821	Cash
Interest accrued but not due	8,800,584	Realizable Value
Sundry debtors (Including advance, deposits, prepayments and others)	287,132,950	Realizable Value
Fixed Assets (At cost less depreciation)	104,572,715	At cost less Depreciation
Stamp in hand	1,904,371	Realizable Value
Stock of Printing and Stationery	1,158,007	At cost
<b>Total</b>	<b>1,200,011,200</b>	

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Place: Dhaka

Dated : 28th April, 2022.

  
AFM Alamgir, FCA  
Chief Executive Partner  
ARTISAN  
Chartered Accountants





# GLOBAL INSURANCE LIMITED

Al Razi Complex (12th floor),  
Shaheed Syed Nazrul Islam Sarani,  
166/167, Purana Paltan, Dhaka.

## Schedule of Fixed Assets

As at December 31, 2021

Particulars	Cost			Rate (%)	Depreciation				Annexure-A
	Balance as on 01.01.2021	Addition during the year	Adjustment during the year	Balance as on 31.12.2021	Charged during the year	Adjustment during the year	Balance as on 31.12.2021	Written Down Value as on 31.12.2021	
Office Space	69,923,220	-	-	69,923,220	1,451,497	-	13,314,851	56,608,369.35	
Furniture & Fixture	7,815,003	961,346	-	8,776,349	435,482	-	4,376,576	4,399,773.90	
Motor Vehicles	58,126,901	8,618,981	-	66,745,882	6,130,586	-	37,024,188	29,721,694.13	
Office Decoration	13,974,323	662,538	-	14,636,861	592,761	-	12,041,515	2,595,345.90	
Computer	7,892,846	1,081,051	-	8,973,897	657,760	-	5,921,034	3,052,863.37	
Air Conditioner	3,914,636	795,289	-	4,709,925	397,547	-	2,468,649	2,241,276.21	
Office Equipment	7,960,958	978,683	-	8,939,641	626,990	-	5,081,186	3,858,454.64	
Software	1,933,330	388,000	-	2,321,330	226,392.73	-	226,393	2,094,937.27	
<b>Total as on 31.12.2021</b>	<b>171,541,217</b>	<b>13,485,888</b>	<b>-</b>	<b>185,027,105</b>	<b>10,519,015</b>	<b>-</b>	<b>80,454,391</b>	<b>104,572,715</b>	
<b>Total as on 31.12.2020</b>	<b>160,837,147</b>	<b>10,704,070</b>	<b>-</b>	<b>171,541,217</b>	<b>9,847,757</b>	<b>-</b>	<b>69,935,377</b>	<b>101,605,840</b>	



**GLOBAL INSURANCE LIMITED**

Al Razi Complex (12th floor),  
Shaheed Syed Nazrul Islam Sarani,  
166/167, Purana Paltan, Dhaka.

**ARTISAN**

Chartered Accountants

**Schedule of Fixed Assets (Tax Base)**

As at December 31, 2021

**Annexure-B**

Particulars	Opening balance as at 01.01.2021	Addition during the year	Sales / Adjustment	Depreciable Asset as on 31.12.2021	Tax Base Dep. Rate (%)	Tax Depreciation	Tax Base WDV as on 31.12.2021
	1	2	3	4=1+2-3	5	6=4*5	7=4-6
Office Space	46,789,905	-	-	46,789,905	3%	1,403,697	45,386,208
Furniture & Fixture	3,628,211	961,346	-	4,589,557	10%	458,956	4,130,601
Motor Vehicles	21,813,267	8,618,981	-	30,432,248	20%	6,086,450	24,345,798
Office Decoration	2,291,278	662,538	-	2,953,816	20%	590,763	2,363,053
Computer	1,983,303	1,081,051	-	3,064,354	30%	919,306	2,145,048
Air Conditioner	1,735,885	795,289	-	2,531,174	15%	379,676	2,151,498
Office Equipment	5,002,094	978,683	-	5,980,777	10%	598,078	5,382,699
Software	1,739,997	388,000	-	2,127,997	10%	212,800	1,915,197
<b>Total as on 31.12.2021</b>	<b>84,983,940</b>	<b>13,485,888</b>	<b>-</b>	<b>98,469,828</b>		<b>10,649,725</b>	<b>87,820,102</b>
<b>Total as on 31.12.2020</b>	<b>84,058,192</b>	<b>10,707,570</b>	<b>-</b>	<b>94,765,762</b>	<b>-</b>	<b>9,781,822</b>	<b>84,983,940</b>





### Directors' Certificate

As per regulations contained in the first schedule of the Insurance Act, 2010 as amended and as per Section 40 of the said Act, we certify that:

The value of investment in shares and debentures have been taken fair value and the quoted value thereof mentioned wherever available.

The value of all assets as shown in the Statement of Financial Position (Balance Sheet) and as classified on Form "AA" have been duly reviewed as at 31st December, 2021 and in our belief, the said assets have been set forth in the Statement of Financial Position (Balance Sheet) at amount not exceeding their realizable or market value under the several headings as enumerated in the annexed form.

All expenses of management, wherever incurred and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance Business have been duly debited to the related Revenue Accounts and Statement of Profit or Loss & Other Comprehensive Income.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Place: Dhaka

Dated : 28th April, 2022.