Auditors' Report & Financial Statements
of
DHAKA INSURANCE LIMITED

For the year ended 31 December 2013

AUDITORS' REPORT TO THE SHAREHOLDERS
OF
DHAKA INSURANCE LIMITED

We have audited the accompanying Financial Statement of **DHAKA INSURANCE LIMITED** which comprise the Financial Position (Balance Sheet) as at **31st December 2013**, and the Statement of Comprehensive Income (Profit and Loss Account), Statement of Changes in Equity and the Statement of Cash Flows and relevant explanatory notes to the Financial Statements for the year then ended.

Respective Responsibilities of the Management and the Auditors:

The preparation of these Financial Statements are the responsibility of the company's management. Our responsibility is to express an independent opinion on these Financial Statements based on our audit.

Scope:

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall Financial Statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion:

In our opinion, the Financial Statements prepared in accordance with Bangladesh Accounting Standards (BAS) give a true and fair view of the state of the company's affairs as of 31st December 2013 and of the result of its operations and its Cash Flows for the year then ended and comply with the applicable section of the Companies Act, 1994, the Insurance Act, 2010, the Insurance Rules, 1958, the Securities & Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

(a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

ATIK KHALED & CO. Chartered Accountants DHAKA

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(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 and (where applicable) proper returns adequate for the purpose of our audit have been received from branches not visited by us;

(c) The company's Financial Position (Balance Sheet), Statement of Comprehensive Income (Profit And Loss Account) and Statement of Cash Flows dealt with by the report are in agreement with the books of account and returns;

(d) The expenditures were incurred for the purposes of the company's business;

(e) As per section 63(2) of the Insurance Act, 2010 as amended, we certify that to the best of our knowledge and belief and according to the information and explanations 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 Account and the Statement of Comprehensive Income of the company;

(f) As per regulation II of part 1 of the third schedule of the Insurance Act 1938 as amended, we certify 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 of its business re-insured abroad;

Atik Khaled & Co.

Dhaka **Atik Khaled & Co.**

Date: 27 April 2014 Chartered Accountants

ATIK KHALED & CO. Chartered Accountants DHAKA

DHAKA INSURANCE LIMITED

FINANCIAL POSITION (BALANCE SHEET) AS AT 31st DECEMBER 2013

CAPITAL AND LIABILITIES	NOTES	TAKA 2013	TAKA 2012
Authorised Capital			
120,000,000 Ordinary Shares of Tk.10/- each		1,200,000,000	1,200,000,000
ISSUED,SUBSCRIBED AND PAID-UP CAPITAL			
37,500,000 Ordinary Shares of Tk. 10/- each called and paid up in full	10.00	375,000,000	375,000,000
Share Premium	11.00	18,000,000	18,000,000
RESERVE OR CONTINGENCY ACCOUNTS			
Reserve for Exceptional Losses	12.00	108,273,385	88,747,725
General Reserve	13.00	10,000,000	10,000,000
Dividend Equalization Reserve	14.00	20,000,000	20,000,000
Investment Fluctuation Reserve	15.00	25,000,000	25,000,000
PROFIT AND LOSS APPROPRIATION ACCOUNT		128,567,047	139,211,446
BALANCES OF FUNDS AND ACCOUNTS	16.00	78,357,628	68,507,322
PREMIUM DEPOSITS	17.00	128,808,127	117,397,827
ESTIMATED LIABILITY IN RESPECT OF OUT-STANDING CLAIMS WHETHER DUE OR INTIMATED	18.00	93,619,082	91,064,876
AMOUNTS DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS	19.00	70,807,462	68,283,282
		164,426,544	**159,348,158**
PROVISION FOR TAXATION	20.00	229,600,000	155,000,000
SUNDRY CREDITORS	21.00	57,757,599	39,816,863
TOTAL		**1,343,790,330**	**1,216,029,341**
Net Assets Value(NAV)-Note-27		**18.26**	**18.02**

PROPERTY AND ASSETS	NOTES	TAKA 2013	TAKA 2012
INVESTMENTS AT COST			
Statutory Deposit	3.00	25,000,000	9,000,000
Shares	4.00	122,146,870	119,825,265
INTERESTS, DIVIDENDS & RENTS OUTSTANDING			
Accrued Interest	5.00	24,975,985	27,006,200
AMOUNTS DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS	6.00	6,362,896	7,789,421
SUNDRY DEBTORS (Including advances, deposits and prepayments)	7.00	156,994,508	117,715,409
CASH AND BANK BALANCES	8.00	612,353,430	598,315,046
Stationery and forms in hand		546,901	595,407
OTHER ACCOUNTS:			
Fixed Assets:			
At Cost	9.00	425,046,156	361,977,742
Less: Accumulated Depreciation		29,636,416	26,195,149
		395,409,740	**335,782,593**
TOTAL		**1,343,790,330**	**1,216,029,341**

* Notes 1.00 to 30.00 form integral part of these Financial Statements
* Signed in terms of our separate annexed report

Dhaka
Date : 27 APR 2014

Managing Director | Director | Director | Chairman

Atik Khaled & Co.
Chartered Accountants

Atik Khaled & Co. Chartered Accountants DHAKA

DHAKA INSURANCE LIMITED

STATEMENT OF COMPREHENSIVE INCOME (PROFIT AND LOSS ACCOUNT) FOR THE YEAR ENDED 31st DECEMBER 2013

PARTICULARS	NOTES	TAKA 2013	TAKA 2012	PARTICULARS	NOTES	TAKA 2013	TAKA 2012
EXPENSES OF MANAGEMENT				INTEREST, DIVIDENDS & RENTS			
(Not applicable to any Fund or Account)				(Not applicable to any Fund or Account)			
Advertisement & Publicity		2,629,351	1,111,907	Interest received & accrued	22.00	83,130,518	54,563,277
Signboard & Hoarding		11,500					
Subscriptions		1,903,000	2,205,348	PROFIT/(LOSS) TRANSFERRED FROM			
Audit Fees		180,500	150,000	Fire Insurance Revenue Account		30,035,672	27,892,754
Legal Fees		240,750	122,500	Marine Insurance Revenue Account		51,840,119	33,155,151
Depreciation		3,441,267	3,769,262	Miscellaneous Insurance Revenue Account		230,822	7,958,545
		8,406,368	7,359,017			82,106,613	69,006,450
BALANCE FOR THE YEAR CARRIED TO APPROPRIATION ACCOUNT		158,481,261	167,486,732	OTHER INCOME	23.00	1,650,498	51,276,022
		166,887,629	174,845,749			166,887,629	174,845,749

STATEMENT OF COMPREHENSIVE INCOME (PROFIT AND LOSS) APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 2013

PARTICULARS	NOTES	TAKA 2013	TAKA 2012	PARTICULARS	TAKA 2013	TAKA 2012
				BALANCE TRANSFERRED FROM STATEMENT OF COMPREHENSIVE INCOME	158,481,261	167,486,732
Exceptional Loss Reserve		19,525,660	17,048,532			
Provision For Taxation	20.00	74,600,000	60,900,000	BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR	139,211,446	124,673,246
Dividend Paid		75,000,000	75,000,000			
Balance Transferred to Financial Position		128,567,047	139,211,446			
TOTAL		297,692,707	292,159,978	TOTAL	297,692,707	292,159,978

Earning per Share(EPS) Note No-28 2.24 2.84

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Dhaka
Date : 27 APR 2014

Managing Director | Director | Director | Chairman | Atik Khaled & Co. Chartered Accountants

Atik Khaled & Co

ATIK KHALED & CO. Chartered Accountants DHAKA

DHAKA INSURANCE LIMITED

CONSOLIDATED REVENUE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER-2013

PARTICULARS	NOTES	TAKA 2013	TAKA 2012	PARTICULARS	NOTES	TAKA 2013	TAKA 2012
Claims under policies less Re-insurance:				Balance of account at the beginning of the year		68,507,322	53,978,096
Paid during the year		6,995,094	6,590,380				
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		93,619,082	91,064,876	Premium Less Re-insurance		195,256,604	170,485,321
		100,614,176	97,655,256				
Less: Outstanding at the end of previous year		91,064,876	95,411,180				
		9,549,300	**2,244,076**				
				Commission on Re-insurance ceded		23,806,623	21,086,974
Agency Commission		35,820,817	32,740,770				
Expenses of Management	24.00	81,736,191	73,051,773				
Profit transferred to Statement of Comprehensive Income		82,106,613	69,006,450				
Balance of account at the end of the year as shown in the Financial Position:							
Reserve for unexpired risks	16.00	78,357,628	68,507,322				
TOTAL		**287,570,549**	**245,550,391**	**TOTAL**		**287,570,549**	**245,550,391**

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Dhaka
Date :
27 APR 2014

Managing Director | Director | Director | Chairman | Atik Khaled & Co. Chartered Accountants

DHAKA INSURANCE LIMITED

FIRE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 2013

PARTICULARS	NOTES	TAKA 2013	TAKA 2012	PARTICULARS	NOTES	TAKA 2013	TAKA 2012
Claims Under policies Less Re-Insurance:				Balance of account at the beginning of the year		28,747,326	20,536,583
Paid during the year		2,986,505	1,724,863				
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		38,276,993	38,252,803				
		41,263,498	39,977,666	Premium Less Re-Insurance		40,218,759	71,868,316
Less : Outstanding at the end of previous year		38,252,803	39,561,891				
		3,010,695	**415,775**				
Agency Commission		11,294,408	16,106,204	Commission on Re-insurance ceded		14,377,453	11,905,869
Expenses of Management	24.00	22,915,259	31,148,709				
Profit/(Loss) transferred to Statement of Comprehensive Income		30,035,672	27,892,754				
Balance of account at the end of the year as shown in the Financial Position:							
Reserve for unexpired risks	16.00	16,087,504	28,747,326				
TOTAL		**83,343,538**	**104,310,768**	**TOTAL**		**83,343,538**	**104,310,768**

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Dhaka
Date : 27 APR 2014

Managing Director | Director | Director | Chairman | Atik Khaled & Co.
Chartered Accountants

ATIK KHALED & CO. CHARTERED ACCOUNTANTS DHAKA

DHAKA INSURANCE LIMITED

MARINE INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31st DECEMBER 2013

PARTICULARS	NOTES	TAKA-2013 CARGO	TAKA-2013 HULL	TAKA-2013 TOTAL	TAKA-2012 TOTAL	PARTICULARS	NOTES	TAKA-2013 CARGO	TAKA-2013 HULL	TAKA-2013 TOTAL	TAKA-2012 TOTAL
Claims under Policies less Re-Insurance:											
Paid during the year		1,010,816	8,325	1,019,141	1,201,946	Balance of account at the beginning of the year		32,639,763	521,989	33,161,752	25,263,921
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		47,588,922	-	47,588,922	47,022,587						
		48,599,738	8,325	48,608,063	48,224,533	Premium less Re-insurance		136,484,782	424,977	136,909,759	82,121,396
Less: Outstanding at the end of previous year		47,022,587	-	47,022,587	47,488,180						
		1,577,151	**8,325**	**1,585,476**	**736,353**						
Agency Commission		21,446,046	98,625	21,544,671	13,505,819	Commission on Re-insurance Ceded		5,512,727	193,713	5,706,440	6,963,490
Expenses of Management	24.00	45,346,143	442,652	45,788,795	33,789,732						
Profit Transferred to Statement of Comprehensive Income		51,674,019	166,100	51,840,119	33,155,151						
Balance of account at the end of the year as shown in the Financial Position:											
Reserve for unexpired risks	16.00	54,593,913	424,977	55,018,890	33,161,752						
TOTAL		**174,637,272**	**1,140,679**	**175,777,951**	**114,348,807**	**TOTAL**		**174,637,272**	**1,140,679**	**175,777,951**	**114,348,807**

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Dhaka
Date :
27 APR 2014

Managing Director | Director | Director | Chairman | Atik Khaled & Co.
Chartered Accountants

DHAKA INSURANCE LIMITED

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31st DECEMBER 2013

PARTICULARS	NOTES	TAKA-2013 MOTOR	TAKA-2013 MISC.	TAKA-2013 TOTAL	TAKA-2012 TOTAL	PARTICULARS	NOTES	TAKA-2013 MOTOR	TAKA-2013 MISC.	TAKA-2013 TOTAL	TAKA-2012 TOTAL
Claims under Policies less Re-Insurance:											
Paid during the year		2,985,466	3,982	2,989,448	3,663,571	Balance of account at the beginning of the year		5,589,243	1,009,001	6,598,244	8,177,592
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		4,193,858	3,559,309	7,753,167	5,789,486						
		7,179,324	3,563,291	10,742,615	9,453,057	Premium less Re-insurance		14,871,410	3,256,676	18,128,086	16,495,609
Less: Outstanding at the end of previous year		2,267,683	3,521,803	5,789,486	8,361,109						
		4,911,641	**41,488**	**4,953,129**	**1,091,948**						
Agency Commission		2,106,145	875,593	2,981,738	3,128,747	Commission on Re-insurance Ceded		640,847	3,081,883	3,722,730	2,217,615
Expenses of Management	24.00	7,267,544	5,764,593	13,032,137	8,113,332						
Profit/(Loss) Transferred to Statement of Comprehensive Income		867,606	(636,784)	230,822	7,958,545						
Balance of account at the end of the year as shown in the Financial Position:											
Reserve for unexpired risks	16.00	5,948,564	1,302,670	7,251,234	6,598,244						
TOTAL		**21,101,500**	**7,347,560**	**28,449,060**	**26,890,816**	**TOTAL**		**21,101,500**	**7,347,560**	**28,449,060**	**26,890,816**

* Notes 1.00 to 30.00 form integral part of these Financial Statements

* Signed in terms of our separate annexed report

Dhaka

Date : 27 APR 2014

Managing Director | Director | Director | Chairman | Atik Khaled & Co. Chartered Accountants

ATIK KHALED & CO. CHARTERED ACCOUNTANTS DHAKA

DHAKA INSURANCE LIMITED

Statement of Cash flows

For the year ended 31st December 2013

	Particulars	Taka 2013	Taka 2012
A.	**Cash flows from operating activities**		
	Cash receipts from Premium and Others	360,710,841	385,132,027
	Cash payment for Management Expenses, Re-Insurance, Claim & Other Expenses.	(215,817,296)	(216,694,548)
	Income Tax Paid	(60,141,383)	(19,932,527)
	Net cash flows from operating activities	**84,752,162**	**148,504,952**
B.	**Cash flows from investing activities**		
	Acquisition of fixed assets	(63,068,414)	(630,515)
	Disposal of fixed assets	-	109,500
	(Purchase)/ Sale of Share	(2,321,605)	18,635,213
	Interest & Dividend Received	85,160,733	44,151,064
	Statutory Deposit	(16,000,000)	-
	Net cash flows from investing activities	**3,770,714**	**62,265,262**
C.	**Cash flows from financial activities**		
	Amount Paid against IPO	(60,000)	(137,100)
	Dividend paid	(74,424,492)	(8,100)
	Net cash used in financial activities	**(74,484,492)**	**(145,200)**
	Net increase in cash and bank balance (A+B+C)	**14,038,384**	**210,625,014**
	Cash and bank balance at beginning of the year	**598,315,046**	**387,690,032**
	Cash and bank balance at end of the year	**612,353,430**	**598,315,046**
	Net operating cash flow per share	**2.26**	**3.96**

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Managing Director | Director | Director | Chairman

Atik Khaled & Co

Atik Khaled & Co.
Chartered Accountants

ATIK KHALED & CO. CHARTERED ACCOUNTANTS

Dhaka
Date: 27 APR 2014

DHAKA INSURANCE LIMITED

Statement of Changes in Equity

For the Year 31st December 2013

Particulars	Share Capital	Share Premium	Reserve for exceptional losses	General reserve	Dividend equalization reserve	Investment fluctuation reserve	Comprehensive Income appropriation account	Total Taka
Balance at 1st January 2013	375,000,000	18,000,000	88,747,725	10,000,000	20,000,000	25,000,000	139,211,446	675,959,171
Cash Dividend	-	-	-	-	-	-	(75,000,000)	(75,000,000)
Profit for the year 2013	-	-	-	-	-	-	83,881,261	83,881,261
Appropriation made during the year	-	-	19,525,660	-	-	-	(19,525,660)	-
Balance at 31st December 2013	**375,000,000**	**18,000,000**	**108,273,385**	**10,000,000**	**20,000,000**	**25,000,000**	**128,567,047**	**684,840,432**
Balance at 31st December 2012	**375,000,000**	**18,000,000**	**88,747,725**	**10,000,000**	**20,000,000**	**25,000,000**	**139,211,446**	**675,959,171**

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Aтik Khaled & Co.

Dhaka
Date:
27 APR 2014

Managing Director | Director | Director | Chairman | Atik Khaled & Co. Chartered Accountants

ATIK KHALED & CO. Chartered Accountants DHAKA

DHAKA INSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013.

1.00 LEGAL STATUS & NATURE OF BUSINESS :

Dhaka Insurance Limited (Formerly The Loyeds Insurance Company Limited) was incorporated as a public limited company on January 04, 2000 and obtained the Certificate of Commencement of Business on January 04, 2000 under the Companies Act 1994. The company obtained license from the Chief Controller of Insurance on February 02,2000.The company went for public issue in 2009 and the shares of the company are listed in both Dhaka and Chittagong Stock Exchange in Bangladesh. The registered office of the Company is located at 115/7A Distilary Road, Gandaria Dhaka, Bangladesh. The operation of the company are being carried out through its 17 Branches located in Bangladesh. The principal activities of the company is to offer general insurance products includes fire and allied perils insurance, marine cargo and hull insurance, aviation insurance, automobile insurance and miscellaneous insurance. These products offer protection of policyholder's assets and indemnification of other parties that may suffer damage as a result of policyholder's accident. Non-life healthcare contracts provide medical coverage to policyholders. Revenue under above activities is derived primarily from insurance premiums.

2.00 BASIS OF PREPARATION OF ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES.

2.01 Basis of preparation Accounts:

a) The Financial Statements have been prepared on going concern and accrual basis under historical cost convention because there is no uncertainly about going concern issue and the entity is optimistic to continue its business operation for the foreseeable future.

b) The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the Insurance Act 2010 (Formerly Insurance Act 1938), the Insurance Rules 1958 and in conformity with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS) ,the Companies Act 1994, the Securities and Exchange Rules 1997 (Formerly Security Exchange Rules-1987), the listing rules of Dhaka and Chittagong Stock Exchange and other applicable laws & regulations in Bangladesh and practice generally followed by the insurance sector. The Balance Sheet has been prepared in accordance with Part-I and "Form A" in Part II of the First Schedule. The revenue account for fire, marine and miscellaneous business has been prepared in accordance with "Form F" in Part II of the Third Schedule. Statement of Cash Flows and Statements of Changes in Equity has been prepared in accordance with BFRS.

c) Figures have been rounded off to the nearest Taka.

d) Last year's figures have been rearranged wherever necessary to confirm to this year's presentation.

ATIK KHALED & CO. Chartered Accountants DHAKA

2.02 Significant accounting policies:

a) Depreciation on Fixed Assets:

Depreciation has been charged on Fixed Assets of the Company on the basis of diminishing balance method at rates varying from 10% to 20% depending on the estimated useful life of the assets.

b) Stock of Stationery & Forms:

Stocks of Stationery and Forms have been valued at cost.

c) Public Sector Business

Company's share of public sector business for the period from 1st July 2012 to 30 June 2013 received from Sadharan Bima Corporation (SBC) has been incorporated in the company's Accounts for the year ended 31st December 2013. The statement of Account from 1st July 2013 to 31st December 2013 have not been received from SBC and as such company's share of public sector business for this period has not been incorporated in these accounts. Estimated liability in respect of outstanding claims for the 3rd & 4th quarter of 2012 and 1st & 2nd quarter of 2013 have not been received from Sadharan Bima Corporation and hence provision for outstanding claims considered appropriate by the Management of the Company has been made in the Accounts.

d) Valuation of Assets:

The Value of all assets at 31st December 2013 as shown in the Financial Position and in the Classified summary of Assets on form "AA" annexed has been reviewed and the said assets have been set forth in the Financial Position and amounts at their respective book value which in the aggregate do not exceed their aggregate market value.

e) Reporting Currency:

The financial Statements are presented in Bangladesh currency (Taka), which has been rounded off or the nearest Taka.

f) Branch Accounting:

The Company has 17 branches in Bangladesh.The accounts of the Branches are maintained at the Head Office level. Only Petty cash books are maintained at the branch level for maintaining its day to day office expenses.

g) Earnings per share

Earnings per Share(EPS) has been calculated in accordance with Bangladesh Accounting Standard – 33"Earnings Per Share" and shown on the face of profit and loss account and computation shown in Note: 28

h) Revenue recognition

i) This includes the total premium earned on various classes of insurance business underwritten and risk covered during the year, the sum of premium earned against various policies, after netting of the amount of re-insurance premium due to Sadharan Bima Corporation.

ii) Dividend income is accounted for on receipt basis.

iii) Gain on investment in shares & securities is accounted for as and when it is received.

i) Reserve for Exceptional Loss:

Reserve for Exceptional Loss is appropriated out of current year's profit before tax which is calculated @ 10% of net premium income.

j) Employees' Benefits:

The Company has provided the following benefits for their employees:

i)**Contributory Provident Fund Recognized by NBR :**

In respect of provident fund at 10% of basic salary of eligible employees is being made annually as per P.F. Rules administered by Board of Trustees. The eligible employees contribute @ 10% of basic salary.

ii) **Insurance Scheme:**

Employees of the company are covered under the group term life insurance scheme, the premium there of is paid by company.

iii) **Gratuity Scheme:**

The above mentioned scheme is going to be introduced as soon as possible and with this end in view a lump sump amount of Tk. 1,500,000(Tk. fifteen lac) only has been provided in this year.

ATIK KHALED & CO. Chartered Accountants DHAKA

k) Employees' details:

During the year under review 265 employees were in the employment of the company. As per schedule - XI Part - II of the companies Act 1994 the employees remuneration slabs are given as under :

Slab	Number of Employee
Employees receiving salary upto Tk. 3,000 per month.	2
Employees receiving salary above Tk. 3,000 per month.	263
Total no. of employees	**265**

Note: There is no part time employee of the company.

l) Management Expenses:

Management expenses charged to revenue accounts amounting to Tk. 81,736,191 represent approximately 28.50% of gross premium of Tk. 281,556,697 (Including Public sector business of TK. 42,751,248). The expenses have been apportioned in proportion to respective classes of insurance business which are as follows:

Fire	28.03%
Marine Cargo	55.47%
Marine Hull	0.55%
Motor	8.89%
Miscellaneous	7.06%

m) Dividend:

The cash dividend of 20% has been proposed/recommended by the Board, this has not been considered as "Liability" in accordance with the provisions of the Securities and Exchange Rules, 1987. Para 12 of BAS 10 provides that "If an entity declares dividends to holders of equity instruments (as defined in BAS 32 Financial Instruments: Presentation) after the reporting period, the entity shall not recognize those dividends as liability at the end of the reporting period".

n) Cash & Cash Equivalent:

It comprises cash in hand, cash at bank including FDR and stock of unused insurance stamps.

o) Benefits , claims and expenses recognition:

i) Gross benefits and claims

General insurance and health claims include all claims occurring during the year and related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries , and any adjustments to claims outstanding from previous years.

ii) Reinsurance claims

Reinsurance claims are recognized when the related gross insurance claim is recognized according to the terms of the relevant policy .

p) Reporting period

Financial Statements of the company cover one calendar year from 01 January 2013 to 31 December 2013.

q) Foreign Currency Translations

Transactions denominated in foreign currencies are translated into Bangladesh Taka and recorded at rates of exchange ruling on the date of transaction in accordance with BAS 21 "*The Effects of Changes in Foreign Currency Rates*".

r) Assets of the Company

As all assets of the company shown in the financial statement that are within the scope of BAS-36 are in physical existence and valued not more than their recoverable amount following Bangladesh Accounting Standards, disclosures with regard to "Impairment of Assets" as per BAS-36 have not been considered necessary.

s) Due from the Directors

No loan or advance in any form is paid to Directors including Managing Director of the company or to associated undertakings and any of them severally or jointly with any other persons.

t) RESERVE FOR UNEXPIRED RISKS:

Reserve for unexpired risk has been made on premium income at the following rates:

Fire	40%
Marine Cargo	40%
Marine Hull	100%
Motor & Miscellaneous	40%

3.00 INVESTMENT AT COST –Statutory Deposit: Tk. 25,000,000

This represents the investment in 10 years BGTB's which is held with Bangladesh Bank as statutory deposit under the Insurance Act 1938 as amended in 2010. Interest accrued on the Investment has been accounted for

The make-up whereof is as under:

Opening Balance	9,000,000
Add: Investment in this year	16,000,000
Total Taka	**25,000,000**

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4.00 INVESTMENT IN SHARES OF LISTED COMPANY: Tk. 122,146,870

The break up of the above amount is as under:

Share in Public Ltd. Co.	2013		Market Value as on 31.12.2013 Taka	2012 Purchase Price Taka
	No. of Share	Purchase Price Taka		
Jamuna Bank Ltd.	6,713,462	91,192,392	109,429,431	91,192,392
One Bank Ltd.	4,633	100,146	73,201	100,146
Social Islami Bank Ltd.	470	8,676	8,413	8,676
Jamuna Oil Ltd.	20,500	6,712,752	3,931,900	5,362,596
Bank Asia Ltd.	1,399	15,792	33,436	15,792
Meghna Petrolium Ltd.	340	74,916	71,740	74,916
Ocean Containers Ltd.	10,963	1,230,956	332,179	931,507
Southeast Bank Ltd.	2,990	64,267	68,770	64,267
Shahjalal Bank Ltd.	1,773	34,860	50,530	34,860
Mutual Trust Bank Ltd.	1,364	20,369	29,872	20,369
RAK Ceramics Ltd.	36,925	1,464,781	1,968,103	1,464,781
Prime Finance Ltd.	16,300	2,673,238	435,210	2,497,375
Prime Textile Ltd.	9,000	713,813	234,000	713,813
Meghna Cement Ltd.	2,000	844,410	285,600	844,410
ICB Islamic Bank Ltd.	100	1,000	610	1,000
ACI Formulation Ltd.	17,500	1,760,274	1,380,750	1,556,104
IDLC Ltd.	9,457	2,321,308	594,845	2,190,252
MI Cement Ltd.	48,021	3,608,921	4,278,670	3,608,921
Mobil Jamuna Lubricant BD Ltd.(MJL)	46,253	4,621,982	3,394,970	4,621,982
Northern Insurance Ltd.	7,535	528,681	309,689	528,681
Peoples Leasing Ltd	5,625	615,146	143,438	615,146
Titas Gas T&D Ltd	42,000	3,538,190	3,099,600	3,377,279
Total		**122,146,870**	**130,154,957**	**119,825,265**

5.00 ACCRUED INTEREST: TK 24,975,985

This represents the sum of interest accrued on following:	2013	2012
10 years BGTB as appearing under Note-3.00	978,358	239,040
Fixed Deposits as appearing under Note-8.01	23,997,627	26,767,160
Total Taka	**24,975,985**	**27,006,200**

6.00 AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS: TK. 6,362,896

This represents sum of due and receivable from different Insurance Companies on account of co- insurance Premium:

SL No	Name of Insurance Company	2013	2012
1.	United Insurance Company Ltd.	467,413	130,034
2.	Pragati Insurance Ltd.	2,186,405	2,198,166
3.	Eastern Insurance Company Ltd.	21,911	2,392
4.	Phoenix Insurance Company Ltd.	41,179	41,179
5.	Desh General Insurance Company Ltd.	33,456	33,456
6.	Central Insurance Company Ltd.	-	11,765
7.	Peoples Insurance Company Ltd.	45,669	45,669
8.	Rupali Insurance Co. Ltd.	177,738	177,738
9.	Green Delta Insurance Company Ltd.	160,553	156,882
10.	Standard Insurance Ltd.	150,855	150,855
11.	Bangladesh General Insurance Company Ltd.	2,319,820	3,931,911
12.	Janata Insurance Company Ltd.	272,269	272,269
13.	Federal Insurance Co. Ltd.	142,419	142,419
14.	Prime Insurance Company Ltd.	-	6,995
15.	Union Insurance Company Ltd.	28,058	28,058
16.	Reliance Insurance Ltd.	88,415	88,415
17.	Pioneer Insurance Co. Ltd.	193,871	338,336
18	Eastland Insurance Co. Ltd.	7,346	7,346
19	Islami Insurance Co. Ltd	3,261	3,261
20	Asia Insurance Limited	-	22,275
21	Asia Pacific General Insurance Co. Limited	22,258	-
	TOTAL Taka	**6,362,896**	**7,789,421**

7.00 SUNDRY DEBTORS: TK. 156,994,508

This make-up of the sum is as follows:

	2013	2012
House Building Loan to employees	628,976	714,488
Staff Advance	95,335	85,334
Staff Car Loan	296,884	483,005
Advance for Registration & Renewal	867,451	701,405
Security Deposit- Telephone (T&T)	36,000	36,000
BANCO Securities Services Ltd.-Investment A/C	34,975	134,975
Multi Securities Services Ltd. -Investment A/C	8,724	609,224
Hasan Securities Ltd-Investment A/C	14,507,693	35,212,071
Advance Income tax (Note-25.00)	136,641,383	76,500,000
Advance for Office Rent	3,877,087	3,238,907
TOTAL Taka	**156,994,508**	**117,715,409**

8.00 CASH & BANK BALANCES: TK. 612,353,430

The make-up of the sum is as follows:

	2013	2012
a)Cash including Cheques in hand	7,095,022	7,277,129
b)Stamps in hand	340,300	224,495
c) **Cash at Banks:**		
Short term Deposit Accounts	26,834,736	22,954,853
Current Accounts	646,372	652,569
Fixed Deposits **(Note-8.01)**	577,437,000	567,206,000
	604,918,108	**590,813,422**
Total Taka (a+b+c)	**612,353,430**	**598,315,046**

8.01 FIXED DEPOSITS TK. 577,437,000

Statement of Bank-wise Fixed Deposit Receipts (FDR) as on 31st December 2013 is as under:

Sl. No.	Name of Bank	2013	2012
1	Dhaka Bank Ltd.	13,500,000	12,500,000
2	Janata Bank	10,700,000	10,700,000
3	Uttara Bank Ltd.	16,000,000	35,000,000
4	IFIC Bank Ltd.	34,400,000	30,900,000
5	National bank Ltd.	19,700,000	21,700,000
6	South East Bank Ltd.	20,200,000	16,700,000
7	Rupali Bank	3,000,000	2,000,000
8	Prime Bank Ltd.	13,700,000	15,700,000
9	Exim Bank	33,500,000	18,500,000
10	Dutch Bangla Bank Ltd.	9,000,000	10,000,000
11	Standard Bank Ltd.	17,000,000	16,500,000
12	AB Bank Ltd.	16,300,000	17,300,000
13	Islami Bank Bangladesh Ltd.	23,700,000	15,700,000
14	Al-Arafa Islami Bank Ltd.	17,800,000	19,800,000
15	One Bank Ltd.	4,500,000	5,500,000
16	Pubali Bank Ltd.	16,500, 000	19,000,000
17	Social Investment Bank Ltd.	16,000,000	14,500,000
18	First Security Islami Bank Ltd.	5,000,000	6,500,000
19	Mercantile Bank Ltd.	7,000,000	9,000,000
20	Mutual Trust Bank Ltd.	12,000,000	11,000,000
21	Agrani Bank	11,300,000	13,300,000
22	BASIC Bank Ltd.	9,000,000	8,000,000
23	Bank Asia Ltd.	18,200,000	20,200,000
24	Premier Bank Ltd.	30,000,000	21,000,000
25	Sahmil Bank Of Baharain Ec	1,700,000	1,700,000
26	Bangladesh Krishi Bank	1,100,000	1,300,000
27	State Bank Of India	2,000, 000	2,000,000
28	Bangladesh Commerce Bank Ltd.	4,000,000	2,500,000
29	Jamuna Bank Ltd.	73,400,000	72,400,000
30	National Credit & Commerce Bank.	15,000,000	20,000,000
31	Shahjalal Bank Ltd.	5,000,000	7,500,000
32	United Commerce Bank Ltd.	59,500,000	49,000,000
33	The Trust Bank Ltd.	4,500,000	4,500,000
34	Rajshahi Krishi Unnayan Bank Ltd.	3,000,000	3,500,000
35	HSBC Bank	500,000	500,000
36	National Bank Of Pakistan	500,000	500,000
37	Phoenix Finance & Investment Ltd.	6,000,000	6,000,000
38	Habib Bank Ltd.	500,000	1,500,000
39	The City Bank Limited	2,000,000	2,000,000
40	Eastern Bank Ltd.	8,000,000	6,000,000
41	Sonali Bank Ltd.	2,500,000	1,500,000
42	NRB Commercial Bank Ltd	1,000,000	-
43	The Oriental Bank Ltd.	7,737,000	13,806,000
44	Bangladesh Development Bank Ltd	500,000	-
45	SBAC Bank Ltd	1,000,000	-
	Total Taka	**577,437,000**	**567,206,000**

9.00 FIXED ASSETS - TK. 395,409,740

This represents the written down value (WDV) of the fixed assets, The details of which have been shown in "Annexure-A"

	2013	2012
Cost	425,046,156	361,977,742
Less: Accumulated Depreciation	29,636,416	26,195,149
Total Taka	**395,409,740**	**335,782,593**

10.00 SHARE CAPITAL:

a) **Authorized Capital Tk. 1,200,000,000**

120,000,000 Ordinary Shares of Tk. 10 each.

b) **Issued Subscribed & Paid-up Capital Tk. 375,000,000**

37,500,000 Ordinary Shares of Tk. 10 each .

10.01 The percentage of shareholding by different categories of shareholders are as follows:

No. of Holders	Holdings	Total Holdings (2013)
870	01 to 500 Shares	0.85%
2,747	501 to 5,000 Shares	11.88%
167	5,001 to 10,000 Shares	3.39%
70	10,001 to 20,000 Shares	2.60%
28	20,001 to 30,000 Shares	1.95%
8	30,001 to 40,000 Shares	0.78%
8	40,001 to 50,000 Shares	0.98%
18	50,001 to 100,000 Shares	3.20%
19	100,001 to 1,000,000 Shares	21.46%
11	Over 1,000,000 Shares	52.91%
3,946	**Total**	**100.00%**

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10.02 Composition of the shareholders:

Sl. No.	Particulars	31 December 2013			31 December 2012		
		No. of Shares	Value of Shares	%	No. of Shares	Value of Shares	%
01.	Director/ Sponsor	19,321,250	193,212,500	51.53	19,351,250	193,512,500	51.61
02.	Institutions	3,007,500	30,075,000	8.02	3,220,700	32,207,000	8.58
03.	General Public	15,171,250	151,712,500	40.45	14,928,050	149,280,500	39.81
	TOTAL	**37,500,000**	**375,000,000**	**100**	**37,500,000**	**375,000,000**	**100**

11.00 Share Premium Tk. 18,000,000

This represents the sum received against -900,000 ordinary shares of Tk. 100 each issued in 2010 at premium of Tk. 20 per share.

12.00 RESERVE FOR EXCEPTIONAL LOSS: TK. 108,273,385

This represents the aggregate sum of reserve created in each year from 2000 as per requirement of Income Tax Ordinance 1984(Schedule-IV). It is calculated equivalent to maximum of 10% of the net premium income of the respective year. The movement of the fund is as under.

	2013	2012
Opening Balance	88,747,725	71,699,193
Add: Created this year	19,525,660	17,048,532
TOTAL TAKA	**108,273,385**	**88,747,725**

13.00 General Reserve: TK. 10,000,000

This represents sum of the reserve created in 2009

14.00 Dividend Equalization Reserve: TK. 20,000,000

This represents sum created in 2009

15.00 Investment Fluctuation Reserve: TK. 25,000,000

This represents the sum created in 2009

16.00 BALANCE OF FUNDS & ACCOUNTS: TK. 78,357,628

This represents the sum of the reserve as per requirement of the Insurance Act equivalent to certain % of current year premium income The break-up of the sum is:

	2013	2012
Fire Insurance Revenue Account	16,087,504	28,747,326
Marine Insurance Revenue Account	55,018,890	33,161,752
Miscellaneous Insurance Revenue Account	7,251,234	6,598,244
Total Taka	**78,357,628**	**68,507,322**

17.00 PREMIUM DEPOSITS: TK. 128,808,127

This represents the sum of premium received against cover notes which will be adjusted to premium income upon initiation of risk and issuance policy in due course.

18.00 ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED: TK. 93,619,082

The make-up of the sum is as follows:

This represents the sum of dues in respect of following Classes of Insurance business:

	2013	2012
Fire	38,276,993	38,252,803
Marine	47,588,922	47,022,587
Miscellaneous	7,753,167	5,789,486
Total Taka	**93,619,082**	**91,064,876**

All the claims of which the management is aware of as per intimation up to the year end have been taken into consideration while estimating these net liabilities in respect of outstanding claims.

19.00 AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS: TK. 70,807,462

This represents the due payable in respect of re-insurance and co-insurance premium, the make-up whereof is as under:

SL No	Name of Insurance Company	2013	2012
1.	Shadharan Bima Corporation	70,751,578	68,231,447
2.	City General Insurance Company Limited.	1,225	1,225
3.	Continental Insurance Limited.	16,017	16,017
4.	Agrani Insurance Company Limited.	2,830	2,830
5.	Asia Pacific General Ins. Company Limited.	-	11,079
6.	Republic Insurance Company Limited.	20,684	20,684
7.	Prime Insurance Company Limited	3695	-
8.	Karnafully Insurance Company Limited	11,433	-
	Total Taka	**70,807,462**	**68,283,282**

20. 00 PROVISION FOR TAXATION: TK. 229,600,000

The make-up of the sum is as follows:

		2013	2012
Balance Forwards		155,000,000	94,100,000
Current year	**(Note- 20.01)**	74,600,000	60,900,000
Total Taka		**229,600,000**	**155,000,000**

20.01 CALCULATION OF INCOME TAX:

	2013	2012
Net Profit (As per Statement of Comprehensive Income)	158,481,261	167,486,732
Less : Exceptional loss reserve	(19,525,660)	(17,048,532)
Less : Gain on Sale of Shares	(1,618,510)	(51,234,773)
Less : Dividend	(9,898,592)	(178,351)
TOTAL TAKA	**127,438,499**	**99,025,076**
•Income tax rate @ 42.5% on permanent difference of Tk.42,929,864 (Note 20.01.01)	18,245,192	13,613,913
•Income tax rate @ 42.5% of Tk. 127,438,499	54,161,362	42,085,657
•Dividend tax rate @ 20% of Tk. 9,898,592	1,979,718	35,670
•Gain on Sale of shares 10% of Tk.1,618,510	161,851	5,123,477
Total Taka	**74,548,123**	**60,858,717**
Say Tk.	**74,600,000**	**60,900,000**

20.01.01 COMPUTATION OF PERMANENT DIFFERENCE:

A	Allowable Expenditure under Insurance Rule			
A-1	**Non Marine :-**	**Gross Premium**	**Rate**	**Taka**
	1st	10,000,000	30%	3,000,000
	Next	10,000,000	25%	2,500,000
	Next	10,000,000	24%	2,400,000
	Next	10,000,000	24%	2,400,000
	Next	10,000,000	23%	2,300,000
	Next	10,000,000	22%	2,200,000
	Next	10,000,000	18%	1,800,000
	Balance	53,179,302	16%	8,508,688
	Total Non Marine (A-1)	**123,179,302**		**25,108,688**

A-2	Marine :-	Gross Premium	Rate	Taka
	1st	10,000,000	18%	1,800,000
	Next	10,000,000	15%	1,500,000
	Next	10,000,000	15%	1,500,000
	Next	10,000,000	13%	1,300,000
	Next	10,000,000	13%	1,300,000
	Next	10,000,000	13%	1,300,000
	Next	12,500,000	11%	1,375,000
	Balance	85,877,395	10%	8,587,740
	Total Marine (A-2)	**158,377,395**		**18,662,740**
	Total Allowable (A-1+A-2)	**281,556,697**		**43,771,428**
	Expenses of Management(Allocated): Note-24			81,736,191
	Expenses of Management (Un-Allocated:) Tk. 8,406,368 Less: depreciation Tk. 3,441,267			4,965,101
	Total Expenses			**86,701,292**
	Less : Total Allowable Expenditure			43,771,428
	Balance (As shown in Note-20.01)			**42,929,864**

21.0 SUNDRY CREDITORS TK. 57,757,599

The make-up of the sum is as follows:

	2013	2012
Share Application Money	13,835,348	13,895,348
Security Deposit against Open Policy	16,527,182	16,427,182
Audit Fees Payable(Special Audit + Statutory Audit)	513,148	413,148
Provident Fund	3,934,088	3,882,130
Gratuity Fund	1,500,000	-
Income tax (Deducted at source)	241,230	204,266
VAT (Deducted at source)	108,551	118,629
Advertisement Bill Payable	200,000	200,000
Printing Bill Payable	900,000	900,000
VAT on premium (Paid by Challan No-31959, date-19.01.2014)	1,600,512	1,596,665
Agency Commission Payable	9,853,102	-
Greenacre Development Limited(Security Deposit)	5,771,684	-
Others Creditors	391,096	373,345
* Unclaimed/Unpaid Dividend-2009	1,795,350	1,806,150
* Unclaimed/Unpaid Dividend-2012	586,308	-
Total Taka	**57,757,599**	**39,816,863**

Dividend Warrant for the years 2009 & 2012 already issued as per SEC Rule, but no claim have been made by the shareholders up to the date of 31 December 2013.

22. 00 INTEREST DIVIDENDS & RENTS: TK. 83,130,518

The make-up of the sum is as follows:

	2013	2012
Interest on BGTB's	2,671,614	1,051,200
Interest on Fixed Deposits (Total FDR Tk.577,437,000)	68,173,819	51,044,963
Interest on STD Accounts	2,386,493	2,288,763
Dividend	9,898,592	178,351
Total Taka	**83,130,518**	**54,563,277**

23.00 OTHER INCOME : TK. 1,650,498

The make-up of the sum is as follows:

	2013	2012
Capital Gain on Sale of Shares	1,618,510	51,234,773
Co.-Insurance Service & Endorsement. Charges	31,988	21,320
Gain on sale of Fixed Assets	-	19,929
Total Taka	**1,650,498**	**51,276,022**

24.00 ALLOCATION OF MANAGEMENT EXPENSES: TK. 81,736,191

The make-up of the sum is as follows:

Class of Business	2013	2012
Fire	22,915,259	31,148,709
Marine	45,788,795	33,789,732
Miscellaneous	13,032,137	8,113,332
Total	**81,736,191**	**73,051,773**

The expenses have been charged to Revenue Accounts at the ratio of Gross Premium earned on direct Business against each class of Insurance.

25.00 Income Tax Assessment Status:

Accounting Year	Assessment Year	Provision for Income Tax	Liabilities as per assessment order	Advance income Tax Paid	Balance of liabilities as per assessment, appeal Tribunal	Remarks
2000	2001-2002	Nil	5,666,090	205,049	196,655	Writ to High Court
2001	2002-2003	Nil	3,401,210	314,311	1,337,232	Writ to High Court
2002 to 2004	2003-2004 to 2005-2006	Nil	Nil	Nil	Nil	Assessment Finalized
2005	2006-2007	3,500,000	8,152,779	4,594,998	3,557,781	Writ to High Court
2006	2007-2008	2,900,000	5,680,645	3,859,092	1,821,553	Writ to High Court
2007	2008-2009	5,000,000	7,352,497	24,33,289	4,919,208	Writ to High Court
2008	2009-2010	5,600,000	11,474,592	5,550,263	5,924,329	Writ to High Court
2009	2010-2011	10,600,000	18,518,523	11,528,811	6,989,712	Writ to High Court
2010	2011-2012	27,000,000	28,605,017	17,707,799	10,897,218	Writ to High Court
2011	2012-2013	39,500,000	-	25,551,832		Assessment not yet done.
2012	2013-2014	60,900,000		47,244,804		Assessment not yet done
2013	2014-2015	74,600,000		17,651,135		Income tax Return not yet due
	Total	**229,600,000**		**136,641,383**	**35,643,688**	

ATIK KHALED & CO. Chartered Accountants DHAKA

26.00 INSURANCE ACT. RELEVANT INFORMATION

a) During the year under review nothing was paid to the directors of the company as board meeting and committee meeting attendance fee.

b) During the year under review no compensation was allowed to the Chief Executive Officer of the company or any member of the Board for special services rendered.

c) During the year nothing was earned as premium against guarantees issued.

27.00 Computation of NET ASSETS VALUE Per Share (NAV):

Particulars	**2013**	**2012**
Investments (At actual)	147,146,870	128,825,265
Interest, Dividend & Rent Outstanding	24,975,985	27,006,200
Amounts due from other persons or bodies carrying on insurance business	6,362,896	7,789,421
Sundry Debtors	156,994,508	117,715,409
Cash & Cash Equivalent	612,353,430	598,315,046
Stationery in hand	546,901	595,407
Other Accounts	395,409,740	335,782,593
Total Assets (A)	**1,343,790,330**	**1,216,029,341**
Balance of Funds and Accounts	78,357,628	68,507,322
Premium Deposits	128,808,127	117,397,827
Liabilities & Provisions	164,426,544	159,348,158
Sundry Creditors Including provision for Taxation	287,357,599	194,816,863
Total Liabilities (B)	**658,949,898**	**540,070,170**
Net Assets (A-B)	**684,840,432**	**675,959,171**
Face Value Per Share	**10**	**10**
Number of Shares (Actual) (C)	**37,500,000**	**37,500,000**
Net Assets Value per share (A-B)/C : Taka	**18.26**	**18.02**

ATIK KHALED & CO. Chartered Accountants DHAKA

28.00 Earnings per Share (EPS) : 2013 (According to BAS 33)

The Company calculates its Earnings per Share (EPS) in accordance with the International Accounting Standards adopted as BAS-33. Calculation of EPS is shown below:

		2013	2012
Net Profit before Tax		158,481,261	167,486,732
Less: Provision for Taxation		74,600,000	60,900,000
Net Profit after Tax:	**Taka**	**83,881,261**	**106,586,732**

EPS Calculation:

01.Continuing operation:

		2013	2012
EPS=	Earnings to Ordinary shares	74,505,727	60,332,755
	Weighted average no. of shares	37,500,000	37,500,000
		TK. 1.99	**TK. 1.61**

02.Including extra ordinary income:

		2013	2012
EPS=	Earnings to Ordinary shares	83,881,261	106,586,732
	Weighted average no. of shares	37,500,000	37,500,000
		TK. 2.24	**TK. 2.84**

ATIK KHALED & CO. CHARTERED ACCOUNTANTS DHAKA

29.00 CONTINGENT LIABILITY

There was a demand of Tk. 35,643,688 by the Income Tax authority for payment of tax in excess of the amount of management expenses claimed by the company during the accounting year 2000, 2001, 2005 to 2010. The company filed a writ to the High Court Division of the hon'ble Supreme Court of Bangladesh.

The Hon'able High Court has disposed off the writ in favour of the company for some of the years while similar favourable order is expected for the rest of the years. The Tax department has been granted leave to appeal against the aforesaid order of the High Court. Therefore the liability is contingent upon the final verdict of the Court.

30.00 SUBSEQUENT EVENT :

a) The dividend for the year 2013 recommended by the board of directors on 27th April, 2014 has not been considered as a liability in the financial statements which is in compliance with the Bangladesh Accounting Standard (BAS) 10 Para 12.

b) There is no other significant event that has occurred between the Financial Position date and the date when the Financial Statement were authorized for issue by the Board of Directors.

Managing Director | **Director**

Director | **Chairman**

Dhaka.

Dated : 27 APR 2014

ATIK KHALED & CO. Chartered Accountants DHAKA

DHAKA INSURANCE LIMITED

FORM-AA

Classified Summary of the Assets in Bangladesh as at 31st December 2013.

Class of Assets	Book Value (Taka)	Remarks.
Statutory Deposit with Bangladesh Bank (10 years BGTBs)	25,000,000	Not quoted in Market
Shares (Market Value Tk. 130,154,957)	122,146,870	Quoted in Market
In Fixed Deposit account with Banks	577,437,000	Realisable Value
In Short term Deposit account with Banks	26,834,736	Realisable Value
In Current Account with Banks	646,372	Realisable Value
Cash, Cheques and Stamp in hand	7,435,322	Realisable Value
Accrued interest	24,975,985	Realisable Value
Amounts due from other persons or bodies Carrying on insurance business	6,362,896	Realisable Value
Fixed Assets	395,409,740	At cost less depreciation
Sundry Debtors	156,994,508	Realisable Value
Stationery and forms in hand	546,901	At Cost
Total Tk.	**1,343,790,330**	

Managing Director　　Director　　Director

Dhaka.

Date : 27 APR 2014

Chairman

Atik Khaled & Co.

Atik Khaled & Co.
Chartered Accountants

DHAKA INSURANCE LIMITED.

Schedule of Management Expenses (Allocated)

For the Year ended 31st December-2013

Particulars	Taka-2013	Taka-2012
Staff Salary	41,019,695	37,356,037
Bonus	7,869,305	6,812,571
Office Rent	7,058,010	6,256,688
Rates & Taxes	296,598	327,014
Telephone	1,195,413	1,055,859
Electricity	1,344,375	1,205,960
Printing & Stationery	2,392,317	2,067,998
Postage & Telegram	304,022	219,004
Repairs & Maintenance	412,744	488,811
Travelling & Conveyance	893,128	873,690
Motor Expenses Fuel	3,353,982	3,246,271
Motor Expenses Maintenance	2,479,194	2,550,946
Staff Training	12,350	7,500
Entertainment Expenses	465,040	471,572
Staff Tea	234,130	247,624
Medical Expenses	516,164	90,644
Papers & Periodicals	79,420	80,252
Bank Charges	768,531	443,474
Insurance Premium	609,036	567,545
Co-Insurance Service Charge	21,120	19,215
Co-Insurance Mgt. Expenses	3,251,988	2,720,437
Office Cleaning & Up - Keep	67,437	59,295
Group Insurance	49,813	46,210
General Expenses	1,301,118	2,551,815
Uniform	197,724	98,930
Registration & Renewal Fee	1,131,405	544,695
AGM Expenses	773,796	832,020
Employers Contribution to Provident Fund	1,803,546	1,465,716
Gratuity Fund	1,500,000	
Total	**81,401,401**	**72,707,793**

DHAKA INSURANCE LIMITED.

Allocation of Management Expenses

For the Year ended 31st December-2013

Class of Business	Gross Premium Income	Mgt. Exp.	Stamp	Total
Fire	78,389,221	22,663,259	252,000	22,915,259
Marine Cargo	156,846,321	45,346,143	-	45,346,143
M. Hull	1,531,074	442,652	-	442,652
Motor	24,946,060	7,212,204	55,340	7,267,544
Miscellaneous	19,844,021	5,737,143	27,450	5,764,593
Total	**281,556,697**	**81,401,401**	**334,790**	**81,736,191**

DHAKA INSURANCE LIMITED
SCHEDULE OF FIXED ASSETS
AS AT 31st DECEMBER 2013

Note :9.00

Annexure -A

Particulars	COST				Rate	DEPRECIATION				Written down Value as on 31.12.2013	Written down Value as on 31.12.2012
	Balance as at 01.01.2013	Additions during the year	Sold/Adj during the year	Total as at 31.12.2013		Depreciation as at 01.01.2013	Charged for the year	Sold/Adj during the year	Total as at 31.12.2013		
	1	2	3	4=(1+2-3)	5	6	7=(4-6)*Rate	8	9=(6+7-8)	10=(4-9)	11
Land	318,660,423	-	-	318,660,423	-	-	-	-	-	318,660,423	318,660,423
Building-(Under Construction)	-	61,035,534	0	61,035,534	-	-	-	-	-	61,035,534	
Furniture & Fixture	3,651,073	156,813	-	3,807,886	10%	2,058,371	174,952	-	2,233,323	1,574,563	1,592,702
Office Equipment	526,862	-	-	526,862	10%	282,288	24,457	-	306,745	220,117	244,574
Computers	3,655,283	617,105	-	4,272,388	20%	2,013,266	451,824	-	2,465,090	1,807,298	1,642,017
Electrical Equipment	556,685	67,640	-	624,325	20%	355,036	53,858	-	408,894	215,431	201,649
Telephone Installation	917,902	-	-	917,902	10%	560,478	35,742	-	596,220	321,682	357,424
Motor Cycle	984,581	-		984,581	20%	563,032	84,310		647,342	337,239	421,549
Motor Vehicle	29,509,121	1,091,625	-	30,600,746	20%	18,296,331	2,460,883	-	20,757,214	9,843,532	11,212,790
Office Decoration	2,724,380	99,697	-	2,824,077	10%	1,596,037	122,804	-	1,718,841	1,105,236	1,128,343
Air cooler	749,473	-	-	749,473	10%	431,594	31,788	-	463,382	286,091	317,879
Other Assets	41,959	-	-	41,959	20%	38,716	649	-	39,365	2,594	3,243
Total	**361,977,742**	**63,068,414**	**-**	**425,046,156**		**26,195,149**	**3,441,267**	**-**	**29,636,416**	**395,409,740**	**335,782,593**

Note:1) Land Tk.318,660,423

a)11.6985 decimal (7.09Katha) at 71 Purana Palton line, Dhaka. It was bought in 22.02.2010 Tk. 111,024,060

b) 25.80 decimal(15.64 Katha) at 47/3 Toyenbee Circular Road, Wari, Dhaka. It was bought in 26.06.2011 Tk. 207,636,363

Total Tk. 318,660,423

2) Building Tk.61,035,534

This represents the cost of work in progress upto 1st floor of the Company 17storried(including 3basement) building sitiuated at 71 Purana Palton Line,Dhaka Construction started on 14.02.2013

3) Motor Vehicle Tk.30,600,746

This represents cost of 20 motor cars from time to time .

ATIK KHALED & CO. Chartered Accountants DHAKA