Prime Insurance Company Limited
Statement of Financial Position (Balance Sheet)
As at June 30, 2018

Particulars	Notes	Amount in Taka	
		2018	2017 (Audited)
Shareholders Equity & Liabilities			
Share capital			
Authorised share capital			
100,000,000 ordinary shares of Tk. 10 each		**1,000,000,000**	**1,000,000,000**
Issued, subscribed & paid-up capital			
40,877,498 ordinary shares of Tk. 10 each	6.00	**408,774,980**	**408,774,980**
Reserve and contingent account		**238,162,786**	**296,829,814**
Reserve for exceptional losses	7.00	217,948,732	210,250,498
General reserve fund	8.00	10,400,000	9,900,000
Profit & loss appropriation account		9,814,054	76,679,316
Shareholders' equity:		**646,937,766**	**705,604,794**
Balance of funds and accounts	9.00	**41,065,786**	**102,098,593**
Fire insurance business		8,652,069	15,500,512
Marine insurance business		21,696,451	61,579,448
Marine hull insurance business		14,223	474,346
Motor insurance business		8,025,680	18,214,934
Miscellaneous insurance business		2,677,363	6,329,353
Premium deposits	10.00	**88,222,758**	**23,632,146**
Liabilities and provisions		**460,613,014**	**391,482,403**
Estimated liability in respect of outstanding claims whether due or intimated	11.00	82,690,312	69,287,456
Amount due to other persons or bodies carrying on insurance business	12.00	61,896,376	15,438,205
Sundry creditors	13.00	62,795,309	57,774,932
Income tax provision	14.00	245,759,377	243,238,890
Deferred tax liability	14.02	7,471,640	5,742,920
Total shareholder's equity & liabilities		**1,236,839,324**	**1,222,817,936**

Enamul Haque Khan
Company Secretary

Md. Lokman Hossain
Head of Accounts

Badal Chandra Rajbangshi
Chief Financial Officer

Mohammodi Khanam
Chief Executive Officer

A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

The accompanying notes 1 to 38 form an integral part of these financial statements.

Dated: Dhaka
July 19, 2018

Prime Insurance Company Limited
Statement of Financial Position (Balance Sheet)
As at June 30, 2018

Particulars	Notes	Amount in Taka	
		2018	2017
Property and Assets			
Non-current assets		**425,792,622**	**349,850,078**
Property, plant and equipment	15.00	205,862,379	211,887,457
Bangladesh Govt Treasury Bond	16.01	25,000,000	9,000,000
Investment (at fair value)	16.02	194,930,243	128,962,621
Current assets		**811,046,702**	**872,967,858**
Stock of printing & stationery	17.00	2,884,296	3,753,670
Insurance stamp in hand		1,089,210	1,044,182
Premium collection control account	18.00	5,535,000	8,020,079
Interest accrued but not received	19.00	11,082,065	8,583,666
Amount due from other persons or bodies carrying on insurance business	20.00	267,012,314	259,129,285
Sundry debtors (including advances, deposits & pre-payments)	21.00	390,982,905	377,967,471
Deferred tax assets	14.02	-	-
Cash and cash equivalents	22.00	**132,460,912**	**214,469,505**
Cash in hand		4,323,644	3,944,989
Cash at Bank		39,037,268	45,580,038
Fixed deposit receipt (FDR)		89,100,000	164,944,478
Total assets		**1,236,839,324**	**1,222,817,936**

The accompanying notes 1 to 38 form an integral part of these financial statements.

Enamul Haque Khan
Company Secretary

Md. Lokman Hossain
Head of Accounts

Badal Chandra Rajbangshi
Chief Financial Officer

Mohammodi Khanam
Chief Executive Officer

A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

Signed in terms of our separate report even date.

Dated: Dhaka
July 19, 2018

INCOME STATEMENT (Un-audited)

For the Half Year Ended June 30, 2018

INCOME STATEMENT:	2018		2017	
	Jan to June-2018	April to June-2018	Jan to June-2017	April to June-2017
	Amount in Taka		Amount in Taka	
Gross direct premium	303,227,751	100,573,902	397,554,559	201,277,400
Premium on PSB	31,193,332	14,564,269	30,054,211	18,755,269
R/I Premium on acceptance	411,008	78,072	212,172	113,756
Total Gross premium income	**334,832,091**	**115,216,243**	**427,820,942**	**220,146,425**
Less : Re-insurance ceded	205,105,330	102,908,460	225,981,852	54,213,055
Less : R/I Premium on PSB	27,083,630	12,158,114	25,023,195	15,290,388
Net premium income	**102,643,131**	**149,669**	**176,815,895**	**150,642,982**
Add : Net R/I commission earned	26,212,714	11,669,424	37,250,718	(2,613,419)
Add : Net premium reserve retained	70,890,972	60,415,286	40,850,034	29,481,066
Total premium income	**199,746,817**	**72,234,379**	**254,916,647**	**177,510,629**
Less : Reserve for unexpired risk.	41,065,786	10,055,297	70,890,972	60,415,287
Less : Agent commission	45,484,163	15,086,086	59,633,184	30,191,610
Less: Management expenses (Revenue A/c)	58,403,372	31,218,928	58,114,979	31,252,139
Less: Management expenses (P/L A/c)	8,912,423	4,014,456	8,372,618	4,389,858
Less : Net claims	35,457,967	30,919,481	49,140,471	44,641,028
Operating Profit (U/W Profit/ (Loss)	**10,423,106**	**(19,059,869)**	**8,764,423**	**6,620,707**
Add : Non-operational income :	**(3,524,682)**	**3,150,249**	**30,979,752**	**(786,334)**
Interest income	8,224,510	3,907,691	7,937,227	2,821,680
Share investment income	(7,461,352)	(9,441,593)	10,256,821	3,472,363
Unrealized share investment income/(loss)	(8,736,843)	5,983,414	8,943,640	(9,119,834)
Dividend income	4,037,959	2,448,568	3,834,601	2,033,292
Foreign exchange gain	2,729	455	-	-
Others income	408,315	251,714	7,463	6,165
Profit before tax :	**6,898,424**	**(15,909,620)**	**39,744,175**	**5,834,373**
Less : Provision for income tax	2,520,487	(4,501,155)	1,403,612	(1,382,649)
Less : Deffered tax	1,728,719	224,207	(943,068)	(800,192)
Net Profit after tax	**2,649,218**	**(11,632,672)**	**39,283,631**	**8,017,215**
Earning Per Share (EPS Taka 10/= each)	**0.06**	**(0.29)**	**0.96**	**0.20**
Weighted average number of outstanding shares	**40,877,490**	**40,877,490**	**40,877,490**	**40,877,490**

Enammul Haque Khan
Company Secretary

Md. Lokman Hossain
Head of Accounts

Badal Chandra Rajbangshi
Chief Financial Officer

Mohammodi Khanam
Chief Executive Officer

A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

July 19, 2018

Prime Insurance Company Limited

Statement of Profit or Loss and Other Comprehensive Income

For the Second Quarter (Half Year) Ended June 30, 2018

Particulars	Notes	Amount in Taka	
		2018	2017
Operating profit/(loss) transferred from:		**19,335,529**	**17,137,040**
Fire insurance revenue account		(9,973,292)	(10,485,343)
Marine insurance revenue account		11,550,280	18,889,558
Marine hull insurance revenue account		283,534	133,061
Motor insurance revenue account		12,242,162	8,362,443
Miscellaneous insurance revenue account		5,232,844	237,321
Non-operating income:			
(Interest, dividend and rents not applicable to any particular fund or account)		**(3,524,682)**	**30,979,752**
Interest income	23.00	8,224,510	7,937,227
Realized gain/(loss) on share investment.	24.00	(7,461,352)	10,256,821
Dividend income	25.00	4,037,959	3,834,601
Increased/(Decreased) of fair value on investment in	16.02.4	(8,736,843)	8,943,640
Other income	26.00	408,315	1,298
Foreign exchange gain		2,729	6,165
Total income		**15,810,847**	**48,116,792**
Less: Expenses of management			
(not applicable to any particular fund or account)		**8,912,423**	**8,372,618**
Director's fees	27.00	738,000	730,000
Advertisement & publicity		922,741	381,922
Audit fees	28.00	625,000	350,752
Donation & subscriptions		39,200	104,570
Legal & professional fees		591,195	1,979,587
Depreciation	15.00	5,334,225	4,378,877
Registration fees	29.00	-	50,000
Meeting expenses		662,062	396,910
Incentive/Perfomance bonus for employees	13.06.01	-	-
Interest on margin loan		-	-
Foreign exchange loss		-	-
Profit before tax		**6,898,424**	**39,744,174**
Provision for tax	14.01	2,520,487	1,403,612
Deferred tax expenses/(income) for the year	14.02	1,728,719	(943,068)
Profit after tax transferred to profit & loss appropriation account		**2,649,218**	**39,283,630**
Total		**15,810,847**	**48,116,792**
Earnings per share (EPS)	5.01	**0.06**	**0.96**

The accompanying notes 1 to 38 form an integral part of these financial statements.

Enamul Haque Khan	**Md. Lokman Hossain**	**Badal Chandra Rajbangshi**	**Mohammodi Khanam**
Company Secretary	Head of Accounts	Chief Financial Officer	Chief Executive Officer

A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

Dated: Dhaka
July 19, 2018

Prime Insurance Company Limited
Profit & Loss Appropriation Account
For the Half Year Ended June 30, 2018

Particulars	Notes	Amount in Taka	
		2018	2017
Opening balance of appropriation accounts		76,679,316	61,195,010
Profit/(loss) carried forward during the year		2,649,218	39,283,630
Total profit after tax		**79,328,534**	**100,478,640**
Appropriation			
Reserve for exceptional losses	7.01	7,698,234	17,681,590
Cash dividend payable/paid for the year		61,316,247	53,140,747
General reserve fund	8.00	500,000	250,000
Retained earnings transferred to balance sheet		**9,814,054**	**29,406,303**
Total		**79,328,534**	**100,478,640**

The accompanying notes 1 to 38 form an integral part of these financial statements.

Enamul Haque Khan	**Md.Lokman Hossain**	**Badal Chandra Rajbangshi**	**Mohammodi Khanam**
Company Secretary	Head of Accounts	Chief Financial Officer	Chief Executive Officer

A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

Signed in terms of our separate report even date.

Dated: Dhaka
July 19, 2018

Prime Insurance Company Limited
Consolidated Insurance Revenue Account
For the Second Quarter (Half Year) Ended June 30, 2018

Particulars	Amount in Taka						
	2018						2017
	Fire	Marine	Marine	Motor	Misc.	Total	Total
Claims under policies less re-insurances:	**3,998,404**	**26,338,174**	**(41,375)**	**3,137,943**	**2,024,821**	**35,457,967**	**49,140,471**
Claims paid during the year	5,422,166	17,751,877	-	2,028,151	4,951,015	30,153,209	53,649,544
Add: R/I claims paid/adjusted on PSB	1,539,902	1,035,709	109,935	104,438	18,467,022	21,257,006	4,128,803
Add: Claims paid on re-insurance acceptance	-	-	-	-	7,763	7,763	4,995
Less: R/I loss claims recovered/ (adjusted) on R/I cedence	3,879,834	219,496	-	-	454,114	4,553,444	5,056,189
Less: Claims paid recoverable on on R/I	1,551,448	429,856	-	-	2,720,438	4,701,742	25,924,679
Add: Claims outstanding at the end of the year	13,367,337	52,466,093	-	6,740,354	10,116,528	82,690,312	75,472,033
Add: Outstanding claims recoverable on R/I	-	-	-	-	-	-	-
Less: Claims recovered on PSB	920,183	739,876	151,310	-	18,296,312	20,107,681	3,462,665
Less: Claims outstanding at the end of the previous year	9,979,536	43,526,277	-	5,735,000	10,046,643	69,287,456	49,671,371
Expenses of management	25,916,152	19,031,612	44,685	3,691,116	9,719,805	58,403,372	58,114,979
						-	
Agent commission	21,495,971	15,177,408	30,000	2,944,399	5,836,384	45,484,163	59,633,184
Profit/(loss) transferred to profit & loss account	**(9,973,292)**	**11,550,280**	**283,534**	**12,242,162**	**5,232,844**	**19,335,529**	**17,137,042**
Balance of account at the end of the year as shown in the balance sheet (Reserve for unexpired risks being 40% of premium income on Marine, Motor & Miscellaneous and 100% of Premium income on Marine Hull of the year)	8,652,069	21,696,451	14,223	8,025,680	2,677,363	41,065,786	70,890,972
Total	**50,089,305**	**93,793,925**	**331,067**	**30,041,301**	**25,491,218**	**199,746,817**	**254,916,647**

Particulars	Amount in Taka						
	2018						2017
	Fire	Marine	Marine Hull	Motor	Misc.	Total	Total
Balance of account at the beginning of the year:	**14,372,051**	**32,946,078**	**274,356**	**9,204,507**	**14,093,979**	**70,890,972**	**40,850,034**
Premium less re-insurances	**21,630,173**	**54,241,126**	**14,223**	**20,064,201**	**6,693,408**	**102,643,131**	**176,815,895**
Premium underwritten	143,306,476	102,083,572	200,000	19,634,128	39,029,779	304,253,955	402,446,638
Less : Premium refund	-	900,850	-	4,802	120,552	1,026,204	4,892,079
Add: Premium on PSB	5,273,293	7,927,323	56,185	1,532,196	16,404,335	31,193,332	30,054,211
Less: Re-insurance premium ceded	122,155,092	48,959,900	201,250	1,035,928	32,753,160	205,105,330	225,981,852
Less: Re-insurance premium on PSB	4,794,504	5,909,019	40,712	61,393	16,278,002	27,083,630	25,023,195
Add: Premium on Re-Insurance accepted	-	-	-	-	411,008	411,008	212,172
Net Commission earned on Re-insurances	**14,087,081**	**6,606,721**	**42,488**	**772,593**	**4,703,831**	**26,212,714**	**37,250,718**
Commission earned on R/I	13,572,447	5,467,869	40,250	772,593	2,834,357	22,687,516	33,704,757
Less: Commission paid on R/I accepted	-	-	-	-	143,853	143,853	74,260
Commission earned on PSB	514,634	1,138,852	2,238	-	2,013,327	3,669,051	3,620,221
Profit commission	-	-	-	-	-	-	-
Total	**50,089,305**	**93,793,925**	**331,067**	**30,041,301**	**25,491,218**	**199,746,817**	**254,916,647**

Enamul Haque Khan
Company Secretary

Md. Lokman Hossain
Head of Accounts

Badal Chandra Rajbangshi
Chief Financial Officer

Mohammodi Khanam
Chief Executive Officer

A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

Signed in terms of our separate report even date.

Dated: Dhaka
July 19, 2018

Prime Insurance Company Limited
Fire Insurance Revenue Account
For the Second Quarter (Half Year) Ended June 30, 2018

Particulars	Amount in Taka	
	2018	2017
Claims under policies less re-insurances:	**3,998,404**	**5,078,055**
Claims paid during the year	5,422,166	27,621,328
Add: R/I claims paid / adjusted on PSB	1,539,902	5,921
Add: Claims paid on re-insurance acceptance	-	-
Less: R/I loss claims recovered/(adjusted) on R/I cedence	3,879,834	3,908,004
Less: Claims paid recoverable on on R/I	1,551,448	18,681,065
Add: Claims outstanding at the end of the year	13,367,337	8,589,760
Less: Claims recovered on PSB	920,183	-
Add: Outstanding claims recoverable R/I		-
Less: Claims outstanding at the end of previous year	9,979,536	8,549,885
Expenses of management	25,916,152	29,008,752
Agent commission	21,495,971	31,460,980
Profit/(Loss) transferred to Profit & Loss Account.	**(9,973,292)**	**(10,485,343)**
Balance of account at the end of the year as shown in the Balance sheet.	8,652,069	14,372,051
(Reserve for unexpired risks being 40% of premium income on Fire of the year).		
Total	**50,089,305**	**69,434,495**

Particulars	Amount in Taka	
	2018	2017
Balance of account at the beginning of the year:	**14,372,051**	**9,201,829**
Premium less re-insurances	**21,630,173**	**35,930,128**
Premium underwritten	143,306,476	210,299,802
Less: Premium refunded	-	559,935
Add: Premium on PSB	5,273,293	3,811,817
Less: Re-insurance premium ceded	122,155,092	174,303,415
Less: Re-insurance premium on PSB	4,794,504	3,318,141
Add: Premium on re-insurance accepted	-	-
Commission earned on re-insurances	**14,087,081**	**24,302,538**
Commission earned on R/I ceded	13,572,447	23,932,093
Less: Commission paid on R/I accepted	-	-
Commission earned on PSB	514,634	370,445
Profit commission	-	-
Total	**50,089,305**	**69,434,495**

Enamul Haque Khan
Company Secretary

Md. Lokman Hossain
Head of Accounts

Badal Chandra Rajbangshi
Chief Financial Officer

Mohammodi Khanam
Chief Executive Officer

A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

Signed as per our separate report of same date.
Dated: Dhaka
July 19, 2018

Prime Insurance Company Limited
Marine & Marine Hull Insurance Revenue Account
For the Second Quarter (Half Year) Ended June 30, 2018

Particulars	Amount in Taka			
	2018			2017
	Marine	Marine Hull	Total	Total
Claims under Policies less Re-insurances:	**26,338,174**	**(41,375)**	**26,296,799**	**23,202,409**
Claims paid during the year	17,751,877	-	17,751,877	14,031,331
Add: R/I claims paid/adjusted on PSB	1,035,709	109,935	1,145,644	4,085,836
Add: Claims paid on re-insurance acceptance	-	-	-	-
Less: R/I loss claims recovered/(adjusted) on R/I cedence	219,496	-	219,496	1,148,185
Less: Claims paid recoverable on on R/I	429,856	-	429,856	2,811,975
Add: Claims outstanding at the end of the	52,466,093	-	52,466,093	34,354,319
Less: Claims recovered on PSB	739,876	151,310	891,186	3,461,042
Add: Outstanding claims recoverable R/I		-	-	-
Less: Claims outstanding at the end of the previous year	43,526,277	-	43,526,277	21,847,875
Expenses of management	19,031,612	44,685	19,076,298	14,821,718
Agent commission	15,177,408	30,000	15,207,408	14,699,318
Profit/(loss) transferred to profit & loss account	**11,550,280**	**283,534**	**11,833,814**	**19,022,620**
Balance of account at the end of the year as shown in the balance sheet	21,696,451	14,223	21,710,674	33,220,434
(Reserve for unexpired risks being 40% of premium income on Marine, and 100% of premium income on Marine Hull of the year)				
Total	**93,793,925**	**331,067**	**94,124,992**	**104,966,514**

Particulars	Amount in Taka			
	2018			2017
	Marine	Marine Hull	Total	Total
Balance of account at the beginning of the year:	**32,946,078**	**274,356**	**33,220,434**	**17,036,170**
Premium less re-insurances	**54,241,126**	**14,223**	**54,255,349**	**82,639,552**
Premium underwritten	102,083,572	200,000	102,283,572	101,873,040
Less: Premium refunded	900,850	-	900,850	3,877,586
Add: Premium on PSB	7,927,323	56,185	7,983,508	11,116,539
Less: Re-insurance premium ceded	48,959,900	201,250	49,161,150	17,897,516
Less: Re-insurance premium on PSB	5,909,019	40,712	5,949,731	8,574,925
Add: Premium on re-insurance	-	-	-	-
Commission earned on re-insurances	**6,606,721**	**42,488**	**6,649,209**	**5,290,792**
Commission earned on R/I ceded	5,467,869	40,250	5,508,119	3,617,423
Less :Commission paid on R/I accepted	-	-	-	-
Commission earned on PSB	1,138,852	2,238	1,141,090	1,673,369
Profit commission	-	-	-	-
Total	**93,793,925**	**331,067**	**94,124,992**	**104,966,514**

Enamul Haque Khan
Company Secretary

Md. Lokman Hossain
Head of Accounts

Badal Chandra Rajbangshi
Chief Financial Officer

Mohammodi Khanam
Chief Executive Officer

A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

Dated: Dhaka
July 19, 2018

Prime Insurance Company Limited
Motor Insurance Revenue Account
For the Second Quarter (Half Year) Ended June 30, 2018

Particulars	Amount in Taka	
	2018	2017
Claims under policies less re-insurances:	**3,137,943**	**8,421,133**
Claims paid during the year	2,028,151	3,317,483
Add: R/I claims paid/adjusted on PSB	104,438	31,648
Add: Claims paid on re-insurance acceptance	-	-
Less: R/I loss claims recovered/(adjusted) on R/I cedence	-	-
Less: Claims paid recoverable on on R/I	-	-
Less: Claims outstanding at the end of the year	6,740,354	12,945,362
Less: Claims recovered on PSB	-	-
Add: Outstanding claims recoverable R/I	-	-
Less: Claims outstanding at the end of the previous year	5,735,000	7,873,360
Expenses of management	3,691,116	3,338,964
Agent commission	2,944,399	3,478,263
Profit/(loss) transferred to profit & loss account	**12,242,162**	**8,362,443**
Balance of account at the end of the year as shown in the balance sheet	8,025,680	9,204,507
(Reserve for unexpired risks being 40% of Motor premium income of the year)		
Total	**30,041,301**	**32,805,311**

Particulars	Amount in Taka	
	2018	2017
Balance of account at the beginning of the year:	**9,204,507**	**9,312,766**
Premium less re-insurances	**20,064,201**	**23,011,267**
Premium underwritten	19,634,128	23,188,422
Less: Premium refund	4,802	-
Add: Premium on PSB	1,532,196	1,391,797
Less: Re-insurance premium ceded	1,035,928	1,538,903
Less: Re-insurance premium on PSB	61,393	30,049
Add: Premium on re-insurance accepted	-	-
Commission earned on re-insurances	**772,593**	**481,278**
Commission earned on R/I ceded	772,593	481,278
Less: Commission paid on R/I accepted	-	-
Commission earned on PSB	-	-
Profit commission	-	-
Total	**30,041,301**	**32,805,311**

Enamul Haque Khan
Company Secretary

Md. Lokman Hossain
Head of Accounts

Badal Chandra Rajbangshi
Chief Financial Officer

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A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

Signed in terms of our separate report even date.

Dated: Dhaka
July 19, 2018

Prime Insurance Company Limited
Miscellaneous Insurance Revenue Account
For the Second Quarter (Half Year) Ended June 30, 2018

Particulars	Amount in Taka		Particulars	Amount in Taka	
	2018	2017		2018	2017
Claims under policies less re-insurances:	**2,024,821**	**12,441,874**	**Balance of account at the beginning of the year:**	**14,093,979**	**5,299,269**
Claims Paid during the year	4,951,015	8,679,402	**Premium less re-insurances**	**6,693,408**	**35,234,948**
Add: R/I claims paid / adjusted on PSB	18,467,022	5,398	Premium underwritten	39,029,779	67,085,374
Add: Claims paid on re-insurance acceptance	7,763	4,995	Less: Premium refunded	120,552	454,558
Less: R/I loss claims recovered/(adjusted) on R/I cedence	454,114	-	Add: Premium on PSB	16,404,335	13,734,058
Less: Claims paid recoverable on on R/I	2,720,438	4,431,639	Less: Re-insurance premium ceded	32,753,160	32,242,018
Add: Claims outstanding at the end of the year	10,116,528	19,585,592	Less: Re-Insurance premium on PSB	16,278,002	13,100,080
Less: Claims recovered on PSB	18,296,312	1,623	Add: Premium on re-insurance accepted	411,008	212,172
Add: Outstanding claims recoverable R/I	-	-			
Less: Claims outstanding at the end of the previous year	10,046,643	11,400,251			
Expenses of management	9,719,805	10,945,545	**Commission earned on re-insurances**	**4,703,831**	**7,176,125**
			Commission earned on R/I ceded	2,834,357	5,673,978
Agent commission	5,836,384	9,994,622	Less: Commission paid on R/I accepted	143,853	74,260
			Commission earned on PSB	2,013,327	1,576,407
			Profit commission	-	-
Profit/(Loss) transferred to Profit & Loss Account.	**5,232,844**	**237,321**			
Balance of account at the end of the year as shown in the Balance sheet.	2,677,363	14,093,979			
(Reserve for unexpired risks being 40% of Miscellnaneous premium income of the year).					
Total	**25,491,218**	**47,710,342**	**Total**	**25,491,218**	**47,710,342**

Enamul Haque Khan
Company Secretary

Md. Lokman Hossain
Head of Accounts

Badal Chandra Rajbangshi
Chief Financial Officer

Mohammodi Khanam
Chief Executive Officer

A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

Signed in terms of our separate report even date.

Dated: Dhaka
July 19, 2018

Prime Insurance Company Limited

Statement of Premium, Commission income, Re-insurance cedence & Acceptance and Claims apportionment
For the Second Quarter (Half Year) Ended June 30, 2018

Particulars	FIRE	MARINE			MISCELLANEOUS			GRAND TOTAL
		CARGO	HULL	TOTAL	MOTOR	MISC.	TOTAL	
Premium underwritten	143,306,476	102,083,572	200,000	102,283,572	19,634,128	39,029,779	58,663,907	304,253,955
Less: Refund allowed	-	900,850	-	900,850	4,802	120,552	125,354	1,026,204
Gross premium underwritten	**143,306,476**	**101,182,722**	**200,000**	**101,382,722**	**19,629,326**	**38,909,227**	**58,538,553**	**303,227,751**
Add: Premium on PSB	5,273,293	7,927,323	56,185	7,983,508	1,532,196	16,404,335	17,936,531	31,193,332
Sub total	**148,579,769**	**109,110,045**	**256,185**	**109,366,230**	**21,161,522**	**55,313,562**	**76,475,084**	**334,421,083**
Add: R/I premium on acceptance	-	-	-	-	-	411,008	411,008	411,008
Total gross premium	**148,579,769**	**109,110,045**	**256,185**	**109,366,230**	**21,161,522**	**55,724,570**	**76,886,092**	**334,832,091**
Less : Re-insurance ceded	122,155,092	48,959,900	201,250	49,161,150	1,035,928	32,753,160	33,789,088	205,105,330
Less: Re-insurance premium on PSB	4,794,504	5,909,019	40,712	5,949,731	61,393	16,278,002	16,339,395	27,083,630
Net premium	**21,630,173**	**54,241,126**	**14,223**	**54,255,349**	**20,064,201**	**6,693,408**	**26,757,609**	**102,643,131**
Reserve for un-expired risks on premium Income for the year	40%	40%	100%		40%	40%		
On own retention	8,460,554	20,889,129	(1,250)	20,887,879	7,437,359	2,626,830	10,064,189	39,412,622
Public sector business	191,516	807,322	15,473	822,795	588,321	50,533	638,854	1,653,165
Total reserve	8,652,069	21,696,451	14,223	21,710,674	8,025,680	2,677,363	10,703,044	**41,065,786**
Expenses of management	**25,916,152**	**19,031,612**	**44,685**	**19,076,298**	**3,691,116**	**9,719,805**	**13,410,922**	**58,403,372**
Commission earned on R/I ceded	13,572,447	5,467,869	40,250	5,508,119	772,593	2,834,357	3,606,950	22,687,516
Add: Profit commission	-	-	-	-	-	-	-	-
Add: R/I commission earned on PSB	514,634	1,138,852	2,238	1,141,090	-	2,013,327	2,013,327	3,669,051
Gross commission earned	**14,087,081**	**6,606,721**	**42,488**	**6,649,209**	**772,593**	**4,847,684**	**5,620,277**	**26,356,567**
Less: Commission paid on R/I accepted	-	-	-	-	-	143,853	143,853	143,853
Less: Interest on re-insurance				-			-	-
Net commission earned	**14,087,081**	**6,606,721**	**42,488**	**6,649,209**	**772,593**	**4,703,831**	**5,476,424**	**26,212,714**
Commission paid to agents	21,495,971	15,177,408	30,000	15,207,408	2,944,399	5,836,384	8,780,783	**45,484,163**
Claims paid during the year	5,422,166	17,751,877	-	17,751,877	2,028,151	4,951,015	6,979,166	30,153,209
Add: 1) R/I claims paid Acceptance				-		7,763	7,763	7,763
2) R/I claims paid (adjusted) on PSB	1,539,902	1,035,709	109,935	1,145,644	104,438	18,467,022	18,571,460	21,257,006
Total claims paid	**6,962,068**	**18,787,586**	**109,935**	**18,897,521**	**2,132,589**	**23,425,800**	**25,558,389**	**51,417,978**
Less: R/I loss claims recovered/(adjusted) on R/I cedence	3,879,834	219,496	-	219,496	-	454,114	454,114	4,553,444
Less: Claims paid recoverable on on R/I	1,551,448	429,856	-	429,856	-	2,720,438	2,720,438	4,701,742
Less: R/I claims recovery on acceptance	-	-		-	-		-	-
Less: R/I claims recovered on PSB	920,183	739,876	151,310	891,186	-	18,296,312	18,296,312	20,107,681
Net claims paid	**610,603**	**17,398,358**	**(41,375)**	**17,356,983**	**2,132,589**	**1,954,936**	**4,087,525**	**22,055,111**
Claims outstanding at the end of the year	13,367,337	52,466,093	-	52,466,093	6,740,354	10,116,528	16,856,882	82,690,312
Add: O/s claims PSB				-			-	-
Total claims outstanding	**13,367,337**	**52,466,093**	**-**	**52,466,093**	**6,740,354**	**10,116,528**	**16,856,882**	**82,690,312**
Less: Recoverable on R/I			-	-	-	-	-	-
Net claims outstanding during the year	**13,367,337**	**52,466,093**	**-**	**52,466,093**	**6,740,354**	**10,116,528**	**16,856,882**	**82,690,312**
Less: O/s claims-previous year	9,979,536	43,526,277	-	43,526,277	5,735,000	10,046,643	15,781,643	69,287,456
Total net claims for the year	**3,998,404**	**26,338,174**	**(41,375)**	**26,296,799**	**3,137,943**	**2,024,821**	**5,162,764**	**35,457,967**

Prime Insurance Company Limited
Statement of Changes in Shareholders' Equity
For the Second Quarter (Half Year) Ended June 30, 2018

For the year 2018	(Amount in Taka)				
Particulars	Share capital	General reserve Fund	Reserve for exceptional losses	Profit & loss appropriation account	Total
Balance as at January 1, 2018	**408,774,980**	**9,900,000**	**210,250,498**	**76,679,316**	**705,604,794**
Cash dividend for the year 2017				(61,316,247)	(61,316,247)
Profit after tax for the year	-		-	2,649,218	2,649,218
Appropriation made during the year	-	500,000	7,698,234	(8,198,234)	-
Balance as at June 30, 2018	**408,774,980**	**10,400,000**	**217,948,732**	**9,814,053**	**646,937,765**

For the year 2017	(Amount in Taka)				
Particulars	Share capital	General Reserve	Reserve for exceptional losses	Profit & Loss Appr. Account	Total
Balance as at January 1, 2017	**408,774,980**	**8,900,000**	**191,160,376**	**61,195,010**	**670,030,366**
Cash dividend for the year 2016				(53,140,747)	(53,140,747)
Profit after tax for the year	-		-	39,283,631	39,283,631
Appropriation made during the year	-	250,000	17,681,590	(17,931,590)	(0)
Balance as at June 30, 2017	**408,774,980**	**9,150,000**	**208,841,966**	**29,406,304**	**656,173,250**

Enamul Haque Khan
Company Secretary

Md. Lokman Hossain
Head of Accounts

Badal Chandra Rajbangshi
Chief Financial Officer

Mohammodi Khanam
Chief Executive Officer

A.Z.M. Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

Prime Insurance Company Limited
Statement of Cash Flows
For the Second Quarter (Half Year) Ended June 30, 2018

Particulars	Amount in Taka	
	30.06.2018	30.06.2017
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Collection from premium and other income	342,298,316	454,029,895
Payment for management expenses, re-insurance and claims	(326,917,412)	(321,721,135)
Income tax, VAT & Stamp paid	(45,470,648)	(17,040,751)
Net cash flows from operating activities	**(30,089,744)**	**115,268,009**
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(127,250)	(403,854)
Investment in shares	(161,234,692)	(231,497,365)
Sale proceeds of investment in shares	86,530,225	129,749,022
Sale proceeds of fixed assets	210,064	-
Advance against fixed assets		
Fixed deposit opened	(52,800,000)	(6,700,000)
Fixed deposit encashed	128,644,478	18,700,000
Interest received	4,944,207	5,041,897
Dividend received	3,230,366	3,067,682
Interest paid on margin loan	-	-
Net cash flows from investing activities	**9,397,398**	**(82,042,618)**
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash dividend paid	(61,316,247)	(32,798,506)
Net cash flows from financing activities	**(61,316,247)**	**(32,798,506)**
Increase/(decrease) in cash and cash equivalent (A+B+C)	(82,008,593)	426,885
Cash and cash equivalent at the beginning of the year	214,469,505	218,756,820
Cash and Cash Equivalent at the closing of the year	**132,460,912**	**219,183,705**
Net operating cash flow per share	**(0.74)**	**2.82**

Enamul Haque Khan
Company Secretary

Md. Lokman Hossain
Head of Accounts

Badal Chandra Rajbangshi
Chief Financial Officer

Mohammodi Khanam
Chief Executive Officer

A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

Prime Insurance Company Limited
Notes to the Financial Statements
For the Second Quarter (Half Year) Ended June 30, 2018

1.00 Legal form of the Company

The Company was incorporated as a public limited company on 21 March 1996 under the Companies Act, 1994 and obtained registration from the Chief Controller of Insurance, Government of Bangladesh on March 31,1996 concurrently. The Company has been registered with the Insurance Development & Regulatory Authority (IDRA) under the Insurance Act, 2010 and provides non-life insurance services as per the Insurance Act, 2010 and the Directives issued by the IDRA from time to time. The Company is listed with Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd as a publicly traded company.

1.01 Address of registered office and place of business of the Company

The registered office of the Company is located at **Unique Heights (9th floor),** 117, Kazi Nazrul Islam Avenue, Dhaka-1000, Bangladesh. The business operations of the Company are being carried out through its 18 branches located in all over Bangladesh.

1.02 Principal activities of the Company

The principal activity of the Company is to carry on all kinds of non-life insurance business. There were no significant changes in the nature of the principal activities of the Company during the year 2018 under review.

1.03 Date of financial statements authorised for issue

Financial Statements of the Company for the Half year ended June 30, 2018 were authorised for issue on July 22, 2018 in accordance with a resolution of the Board of Directors of the Company.

2.00 Summary of Significant Accounting Policies and Other related Policy Information

2.01 Basis of accounting preparation

The financial statements of the Company under reporting have been prepared under historical cost convention on a going concern concept and on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) and practice in Bangladesh. Disclosure of financial information as required by Insurance Act 2010 have been complied with while preparing statement of financial position, statement of profit or loss and other comprehensive income and revenue accounts for specific classes of insurance business in the form set forth in the first, second and third schedule of the Insurance Act and also in compliance with the Companies Act, 1994.

2.02 Management responsibility

The Management is responsible for the preparation and fair presentation of the financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS) and existing accounting standards and applicable laws.

2.03 Directors responsibility statements

The Board of Directors are also responsible for the preparation and presentation of financial statements under section 183 of the Companies Act 1994, the Bangladesh Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd and as per the provision of the "International Accounting Standards Committee" (IASC). According to the "International Accounting Standard (IAS)-1 " and in accordance with the Bangladesh Accounting Standard (BAS) as adopted by the Institute of Chartered Accountants on Bangladesh (ICAB) Presentation of Financial Statements" the complete set of Financial Statements include the following components:

i) Statement of Financial Position (Balance Sheet)
ii) Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Account)
iii) Statement of Profit and Loss Appropriation Account
iv) Statement of Cash Flows
v) Statement of Changes in Equity
vi) Notes to the Financial Statements and Significant Accounting Policies

2.04 Basis of presentation

The Balance Sheet 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. Revenue Account of each class of non-life 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, 1938, in absence of such Forms in the Insurance Act 2010. The classified summary of the assets has also been prepared in accordance with Form "AA" as set forth in Part - II of the aforesaid Act.

i) Method of preparation

The financial statements have been prepared on mercantile method.

ii) Compliance statements and general rules & regulations

The financial statements have been prepared and disclosures of information have been made in accordance with the requirements of Insurance Act, 2010, Insurance rules,1958, the Companies Act,1994, the Securities and Exchange Rules,1987, the Securities and Exchange Ordinacne 1969, the Securities and Exchange Commission Act 1993, the Listing Regulations of Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd, and Guidelines, rules and regulations issued from time to time by the Insurance Development and Regulatory Authority (IDRA).

To comply with the International Accounting Standards and International Financial Reporting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and other applicable laws and regulations.

Compliance with the Core IAS/IFRS or Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)

These financial statements have been prepared and presented in accordance with the approved accounting and reporting standards as applicable in Bangladesh. Approved accounting standards comprise of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh. As of 31 March 2018 status and applicability of Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) in the case of **Prime Insurance Company Ltd** are as under:

Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) .	IAS/BAS No	Applicability
Presentation of financial statements	1	Applied
Inventories	2	Applied
Statement of cash flows	7	Applied
Accounting policies, changes in accounting estimates and errors	8	Applied
Events after the reporting period	10	Applied
Construction contracts	11	N/A
Income taxes	12	Applied
Property, plant and equipment	16	Applied
Leases	17	N/A
Revenue	18	Applied
Employee's benefits	19	Applied
Accounting of government grants and disclosure of government assistance	20	N/A
The effects of changes in foreign exchange rates	21	Applied
Borrowing costs	23	Applied
Related party disclosures	24	Applied
Accounting and reporting by retirement benefit plans	26	Applied
Separate financial statements	27	N/A
Investments in associates and joint ventures	28	N/A
Financial reporting in hyperinflationary economics	29	N/A
Financial instruments: Presentation	32	Applied
Earnings per share	33	Applied
Interim financial reporting	34	Applied
Impairment of assets	36	Applied
Provisions, contingent liabilities and contingent assets	37	Applied
Intangible assets	38	N/A
Financial instruments: Recognition and measurement	39	Applied
Investment property	40	N/A
Agriculture	41	N/A

ICAB'S Adoption Status of International Financial Reporting Standards (IFRSs) as Bangladesh Financial Reporting Standards (BFRSs).

Title of Adopted IFRS as BFRS	IFRS / BFRS No	Status
First-time adoption of International financial reporting standards	1	N/A
Share-based payment	2	N/A
Business combinations	3	N/A
Insurance contracts	4	Applied
Non-current assets held for sale and discontinued operations	5	N/A
Exploration for and evaluation of mineral resources	6	N/A
Financial instruments: disclosures	7	Applied
Operating segments	8	Applied
Financial instruments	9	Applied
Consolidated financial statements	10	N/A
Disclosure of interest in other entities	12	N/A
Fair value measurement	13	Applied
Regulatory deferred accounts	14	N/A
Revenue from contracts with customers	15	N/A

iii) Last year's figures rearranged and adjusted

Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

iv) Functional and presentational currency

These financial statements are prepared in Bangladesh Taka which is the company's functional currency. All information presented in Taka has been rounded off to the nearest Taka (BDT).

v) Going concern basis

The Company has adequate resources to continue in the operation for the foreseeable future. For this reason, the Directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources for providing sufficient funds to meet the present requirements of its existing business and operations.

vi) Interim financial reporting

In accordance with Bangladesh Accounting Standard (BAS-34), Interim Financial Reporting, publicly traded entities are encouraged to provide interim financial reports that confirm to the recognition, measurement and disclosure principles set out in this standard. Timely and reliable interim financial reporting improves the ability of investors, creditors, and others to understand an entity's capacity to generate earnings and cash flows and its financial condition and liquidity.

Prime Insurance Company applies the same accounting policies in its interim financial statements as are applied in its annual financial statements.

vii) Reporting period

Financial statements of the company consistently cover one calendar year from 1 January 2018 to 30 June, 2018.

viii) Branch accounting

The company has 18 branches under its umbrella without having any overseas branch up to the year ended June 30, 2018. The accounts of the branches are maintained at the Head Office level. Only petty cash books are maintained at the branch level for meeting day to day cash expenses.

ix) Bangladesh Electronic Fund Transfer Network (BEFTN)

The Company has signed an MOU agreement with Standard Chartered Bank for Cash Management Solution and inked on August 21, 2013. With a view to ensuring best services to the shareholders, clients and employees through smoothly banking transactions of its business operations the Company has started remittances/payments through Bangladesh Electronic Fund Transfer Network (BEFTN) from September 1, 2013.

2.05 Significant Accounting Policies

i) Revenue recognition (BAS-18)

Revenue is recognised in accordance with Bangladesh Accounting Standard **(BAS-18)**: Revenue, unless otherwise mentioned or otherwise guided by the separate BAS/BFRS or by Directives of the Regulatory Authority.

ii) Underwriting premium income

Premium income is recognised when insurance policies are issued and premium collected. The sum of premium income as appeared in classified Revenue Accounts is net of the refund made, Re-insurance ceded and Re-insurance premium on PSB.

iii) Public sector business (PSB)

As per Government decision effective from April 1990, 100% Public Sector Insurance Business is being underwritten by Sadharan Bima Corporation (SBC), 50% premium being retained by SBC and the remaining balance is equally distributed among 45 private sector insurance companies.

The premium in respect of Company's share of Public Sector insurance Business (PSB) is accounted for in the year in which the relevant statement of accounts from Shadharan Bima Corporation is received. The statements of account for the period from July 2017 to June 2018 have been received from SBC and the Company's share of PSB for the aforesaid period has been recognised in these financial statements accordingly. Such method of account for the Public Sector Insurance Business (PSB) has been consistently followed.

iv) Re-Insurance ceded and accepted

a) Re-insurance ceded and Accepted with Sadharan Bima Corporation

Necessary adjustment in respect of Re-insurance ceded and accepted in Bangladesh has duly been made in respective Revenue Account as per Treaty between the Company and Shadharan Bima Corporation (SBC) and Foreign Re-Insurers.

b) Re-insurance with foreign re-insurer

Fifty percent (50%) of the re-insurable non-life insurance business shall be re-insured with Sadharan Bima Corporation and the remaining fifty percent (50%) of such business may be re-insured either with the SBC or with any other insurer whether in or outside Bangladesh.

v) Cover notes converted into policy (CCP)

Amounts received against issue of cover notes that have not been converted into policy are not recognised as income. The cover notes which were previously issued are converted into insurance policy at the expiry of nine months from the date of issue of such cover notes as per circular of the then Chief Controller of Insurance.

vi) Investment income

a) Interest on FDRs and 10-years & 15-years Bangladesh Government Treasury Bond (BGTB) are recognised on accrual basis. Interest on STD/SND/PLS account and other income are recognised as and when amount credited to our account.

b) Cash dividend income and stock dividend from investment:

Dividend income on investment in shares are recognised when the Company is entitled to dividend from the investee and shown in the Statement of Profit or Loss and other Comprehensive Income. For stock dividend, the number of related shares of investee increases effecting decrease in average cost of investment.

2.06 Valuation non-current assets

i) Government bond

Ten-year & fifteen years Bangladesh Government Treasury Bond (BGTB)/Securities are stated at cost.

ii) Investment in shares/debenture and mutual Fund

Investment in stocks, shares and other securities are recognised in the financial statements at fair value considering long term investment and these are revalued at regular interval. Increases or decreases in the value of investment are recognised in the Financial Statements as per **IAS-39 "**Financial Instruments: Recognition and Measurement". Increase or decrease in the value of investment in listed shares are recognised in the financial statements considering average movement of market price as the capital market of Bangladesh is volatile and market price of the stocks and shares change very frequently. Increase/decreases in the market value on stocks and shares are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

iii) Property, plant and equipment

All fixed assets are stated at cost less accumulated depreciation as per Bangladesh Accounting Standard **(BAS)-16,** "Property, Plant and 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 and non-refundable taxes.

Recognition of property, plant and equipment

The company recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the items can be measured reliably. Normal expenditure incurred after the assets have been put into operation such as repairs and maintenance other than major replacements, renewals and/or betterment of the assets are charged off as revenue expenditure in the period in which it is incurred.

Depreciation on property, plant & equipment

Property, Plant & Equipment are depreciated following the reducing balance method on the basis of economic life expectancy of the assets in accordance with **BAS-16.** Depreciation on addition of fixed assets has been charged when it is available for use. The Property, Plant & Equipment are depreciated at the following rates:

Items	Rate %
Building floor space	2%
Motor vehicles	20%
Furniture & fixtures	10%
Office equipment	15%
Electrical equipment	15%
Computer	20%

The value of all assets as shown in the Balance Sheet and in the annexed Classified Summary of Assets drawn up in accordance with form "AA" of part II of the First Schedule of the Insurance Act 1938, have been reviewed and the balances are in agreement with the Balance Sheet amount and Form "AA" amount.

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the statement of profit or loss and other comprehensive income in the year the asset is de-recognised.

Impairment of assets

As per **BAS 36-Impairment of assets:** The carrying amounts of the company's non-current assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income. Considering the present conditions of the assets, management concludes that there is no such indication exists.

2.07 Employees retirement benefit scheme

Prime Insurance Company Ltd offers a number of retirement benefit plans for all permanent employees of the company which include Contributory Provident Fund and Gratuity Fund which have been accounted for in accordance with the provision of Bangladesh Accounting Standard **(BAS) -19,** "Employee's Benefit".

i) Provident fund

Under defined Contribution scheme, Company operates duly recognised Provident Fund managed by an independent Board of Trustees for all eligible employees. The eligible employees contribute @ 10% of their basic salary. The company's contribution to the scheme are charged to Statement of Profit or Loss and Other Comprehensive Income in the year in which they relate.

ii) Gratuity fund

The Company operates a funded gratuity scheme duly recognised by National Board of Revenue (NBR) on December 4, 2011 under the management of independent Board of Trustees. The fund is operated by a Board of Trustees consisting of Chairman and three Members of whom two are taken from the Board of Directors including the Chairman of the Board. All confirmed employee's are entitled to receive one month basic pay for each completed year of services after completion of minimum seven years of services with the company as per Bangladesh Accounting Standard (BAS) -19 "Employee Benefits". It may be mentioned here that all confirmed employee's have been receive 2(two) basic up to 2008. Basic pay represents the last basic of the employee. PICL Employees gratuity rules of the Company has approved in its Board Meeting No-170 held on September 15, 2008 under BM No.116/2008 dated September 22, 2008. Adequate provision has been made in these Financial Statements.

iii) Other benefits

In addition to provident fund and gratuity fund, the Company provides other benefits to the employees like earned leave benefit, transport facility, health insurance, group insurance, car facilities, home maintainence loan, incentive/performance bonus and honorarium for Insurance Diploma.

2.08 Balance of funds & accounts (Un-expired risk reserve)

Surplus/deficit on Revenue Accounts has been arrived at after making necessary provision for un-expired risk @ 40% of net premium income on Fire, Marine Cargo, Motor and Miscellaneous business and 100% on Marine Hull business concern.

2.09 Allocation of expenses of management

As per applicable insurance laws relevant management expenses wherever incurred directly or indirectly have been allocated amongst different Revenue Accounts in respect of Fire, Marine, Motor and Miscellaneous insurance business on pro-rata basis at their respective gross premium income.

2.10 Cash flow statement

Cash flow statement is prepared in accordance with IAS-7 Statement of Cash Flows and the cash flow from the operating activities has been presented under direct method as prescribed by the Securities and Exchange Rules-1987. Cash flow statement is broken down into operating activities, investing activities, and financing activities.

2.11 Foreign currency transaction

All foreign currency transactions are converted into equivalent Taka at the ruling exchange rates on the respective date of such transactions as per Bangladesh Accounting Standard (BAS) -21: " The effects of Changes in Foreign Exchange Rate".

2.12 Comparative information

Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current years financial statements.

Previous year's figure have been restated and rearranged whereever necessary, to confirm to current years presentaion as per **BAS-8** "Accounting Policies, Changes in Accounting Estimate and Errors".

2.13 Stock of stationery & forms

Stock of stationery and forms has been valued at the lower of cost and net realisable value in accordance with **BAS -2**.

2.14 Re-arrangement of head of accounts:

To comply with the International Accounting Standards and International Financial Reporting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), some of the heads of accounts have been re-arranged wherever necessary.

3.00 Recognition of expenses and taxes

Expenses are recognised on the basis of a direct association between the cost incurred and the earning of specific heads of income. All expenditure incurred has been charged to the Revenue Accounts and Statement of Profit or Loss and Comprehensive Income in running the business and in maintaining the Property, Plant and Equipment in state of efficiency.

3.01 Borrowing costs

In accordance with Bangladesh Accounting Standard **(BAS-23)**-Borrowing Costs that are directly attributable to the acquisition and construction of a qualifying asset form part of the cost of that asset and therefore, should be capitalised. Other borrowing costs are recognised as an expense.

3.02 Provision for income taxes

The company has made the income tax provision on the basis of **BAS-12** "Income Taxes", Income Tax Ordinance, 1984 as amended from time to time and Finance Act, 2018.

3.03 Current tax provision

The tax currently payable is based on taxable profits for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expenses that are taxable or deductible in succeeding years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates as per Income Tax Ordinance 1984, that have been effective on the balance sheet date.

3.04 Deferred taxes

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductable temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilised. Adequate provision has been made for deferred tax to profit or loss and other comprensive income.

4.00 Reserve or Contingencies Accounts

4.01 Reserve for exceptional losses

As per Para 6 of the 4th Schedule of Income Tax Ordinance,1984 to meet the exceptional losses, the Company sets aside maximum ten percent of the net premium income of the year in which it is set aside from the balance of the profit to reserve for exceptional losses. As per Insurance law maximum 10% statutory reserve be maintained out of profit by the company to meet any possible future claims on net premium income during the year. In the year under review, the Company sets aside 10% of net premium.

4.02 General reserve fund

The Company has been maintaining a general reserve fund from the current year profit to meet future contingencies.

4.03 Provision for contingent liabilities and assets

According to **BAS-37**: "Provision, contingent liabilities and contingent assets" the company recognises the provision in the balance sheet when the company has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefit will be required to settle the obligations.

4.04 Segment reporting

A business segment is a distinguishable component of the company that is engaged in providing services that are subject to risks and returns and are different from those of other business segments. The company accounts for segment reporting of operating results of each segment. The Company has four primary business segments for reporting purposes namely Fire, Marine, Motor and Miscellaneous.

5.00 Earnings per Share (EPS)

The Company calculates Earnings per Share (EPS) in accordance with **BAS-33:** "Earnings per Share", which has been shown on the Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Account).

5.01 Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding at the end of the year.

For calculation of basic earning and weighted average number of ordinary shares outstanding at the end of the year, the following formula has been used:

Sl. No.	Particulars	Amount in Taka	
		2018	2017
a.	Earnings attributable to the ordinary shareholders	2,649,218	39,283,630
b.	Ordinary share at 1st January	40,877,498	40,877,498
c.	Bonus shares issued	-	-
d.	Weighted average number of ordinary shares outstanding	40,877,498	40,877,498
	Basic earnings per share after tax	**0.06**	**0.96**

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.

Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning plus the number of ordinary shares issued during the year multiplied by a time-weighted factor. The time weighting factor is the number of days the specific shares outstanding as a proportion of the total number of days during the year.

5.02 Diluted earnings per share

Diluted earnings per share reflects the potential dilution that could occur if additional ordinary shares are assumed to be issued under securities or contracts that entitle their holders to obtain ordinary shares in future, to the extent such entitlement is not subject to unresolved contingencies.

At June 30, 2018 there was no scope for dilution and hence no diluted EPS is required to be calculated.

6.00 Authorised, issued, subscribed and paid-up capital of the Company

Authorised share capital 10,00,00,000 ordinary shares of Tk.10 each	**1,000,000,000**	**1,000,000,000**
Issued, subscribed and paid-up capital		
1,50,00,000 ordinary share of Tk. 10 each	150,000,000	150,000,000
Bonus shares issued in different years: 25,877,498 bonus shares of Tk. 10 each	258,774,980	258,774,980
Paid-up capital	**408,774,980**	**408,774,980**

Particulars	2018		2017	
Category of Shareholders	**No. of Shares holding**	**% of holding**	**No. of share holding**	**% of holding**
A. Group-A: Sponsors & Directors: 19,578,208 shares of Tk.10	19,578,208	47.89%	19,578,208	47.89%
B. Group-B: Public Shareholders: 21,299,290 shares of Tk.10	21,299,290	52.11%	21,299,290	52.11%
1. Banks, ICB, MFs & Insurance Companies	4,288,050	10.49%	4,288,050	10.49%
2. Employees	-	0.00%	-	0.00%
3. ICB Investors' Accounts	796,793	1.95%	796,793	1.95%
4 Ramisha BD. Ltd.	2,500,000	6.12%	2,500,000	6.12%
5 General Public & Others	13,714,447	33.55%	13,714,447	33.55%
Total (A+B)	**40,877,498**	**100.00%**	**40,877,498**	**100.00%**

Classification of shareholders as per their share holdings as on December 31, 2017

Group-A: Sponsors & Directors

Class Interval	No. of share	No. of share Holders	% of Total holding	% of Total paid up capital
001-5000	-	-	-	-
5001-10000	-	-	-	-
10001-50000	-	-	-	-
50001-100000	74,232	1	0.38	0.18
100001-300000	1,043,322	4	5.33	2.55
300001-600000	1,819,152	2	9.29	4.45
600001-1500000	14,141,502	12	72.23	34.59
1500001-5000000	2,500,000	1	12.77	6.12
Total	**19,578,208**	**20**	**100**	**47.89**

Group-B: Public shareholders

Class Interval	**No. of shares**	**No. of share Holders**	**% of Total holding**	**% of Total paid up capital**
001-5000	1,650,033	1,714	7.75	4.04
5001-10000	822,829	101	3.86	2.01
10001-300000	7,490,346	140	35.17	18.32
300001-600000	3,132,175	10	14.71	7.66
600001-1500000	2,663,907	15	12.51	6.52
1500001-5000000	5,540,000	1	26.01	13.55
Total	**21,299,290**	**1,981**	**100.00**	**52.11**
Grant Total (A+B):	**40,877,498**	**2,001**		**100.00**

7.00 Reserve for exceptional losses

As per Paragraph 2 of Fourth Schedule of Income Tax Ordinance 1984, for the year 10.00% of the net premium income was transferred to reserve for exceptional losses. Details of calculation as hereunder:

	Notes No.		
Opening balance as on 1 January		210,250,498	191,160,376
Add: Transferred during the year (tax exempted)	7.01	7,698,234	19,090,122
Closing balance as on 30 June		**217,948,732**	**210,250,498**

7.01 Class wise exceptional loss reserve

This represents profit set-aside during the year under review at 7.50% (2017:7.50%) of net premium allowed as expenses to meet any exceptional losses. The aforesaid set-aside of profit has been allowed as expenses by paragraph 6(2) of 4th Schedule of the Income Tax Ordinance, 1984.

10% Exceptional Loss Reserve on Net Premium	Net Premium	At 7.50% of Net Premium Amount in Taka	
		2018	2017
01. Fire insurance business	21,630,173	1,622,263	2,906,346
02. Marine insurance business	54,255,349	4,069,151	11,581,722
03. Motor insurance business	20,064,201	1,504,815	3,415,300
04. Miscellaneous insurance business	6,693,408	502,006	1,186,754
Total	**102,643,131**	**7,698,234**	**19,090,122**

8.00 General reserve fund account

The company has created a General Reserve fund from financial year 2009 for avoiding any sudden fund crisis and contingency in

Opening balance as on 1 January	9,900,000	8,900,000
Add: Transferred during the year	500,000	1,000,000
Closing balance as on 30 June	**10,400,000**	**9,900,000**

9.00 Balance of fund and accounts (un-expired risk reserve)

As per Para 27A(2)(b) Insurance Act, 1938, as amended 2010 for the purpose of Sub-section (1) the company has made necessary provision for un-expired risk reserve during the year 40% of net premium on Fire, Marine, Motor, Miscellaneous and 100% on Marine Hull business. Details of class wise un-expired risk reserve are as follows:

Class of business	Net Premium	Percentage	Amount in Taka 2018	2017
01. Fire	21,630,173	40%	8,652,069	15,500,512
02. Marine	54,241,126	40%	21,696,451	61,579,448
03. Marine Hull	14,223	100%	14,223	474,346
04. Motor	20,064,201	40%	8,025,680	18,214,934
05. Miscellaneous	6,693,408	40%	2,677,363	6,329,353
Total	**102,643,131**		**41,065,786**	**102,098,593**

10.00 Premium deposit

The below mentioned amount includes premium received against cover notes for which policies have not been issued within 31 December, 2018. While the risks against non-marine and marine hull have been assumed from the issuance of cover notes, risk against marine cargo have not been assumed until shipment advices are provided and accordingly policies are issued.

	Amount in Taka 2018	2017
Premium deposits	57,015,137	**23,632,146**
Unexpired risk reserve previous year (Retained earnings).	**31,207,621**	-
Total:	**88,222,758**	**23,632,146**

11.00 Estimated liability in respect of outstanding claims whether due or intimated

Class of business	Amount in Taka 2018	2017
Fire	13,367,337	9,979,536
Marine	52,466,093	43,526,277
Motor	6,740,354	5,735,000
Miscellaneous	10,116,528	10,046,643
Closing balance as on 30 June	**82,690,312**	**69,287,456**

All the claims of which the Company received intimations within June 30, 2018 have been taken into consideration while estimating the liability in respect of outstanding claims.

12.00 Amount due to other persons or bodies carrying on insurance business

This amount is payable to Shadharan Bima Corporation and other foreign re-insurers and private sector insurance companies on account of re-insurance arrangements with them and to other local insurance companies under co-insurance premium. Break up of the amount is as under:

	Amount in Taka	
	2018	2017
Re-insurance ceded premium	30,374,785	7,386,379
Co-insurance premium payable to other insurance companies	31,521,591	8,051,826
Closing balance as on 30 June	**61,896,376**	**15,438,205**

13.00 Sundry creditors (including provision for expenses and taxes)

This represents liabilities for certain expenses as well as other finance, which are made up as follows:

	Notes no:	Amount in Taka	
		2018	2017
Audit fees payable	13.01	1,411,091	1,029,508
VAT payable	13.02	5,678,953	4,914,805
Employees' tax deduction at source		211,745	177,678
Income tax deduction at source		592,146	529,348
Bills payable		119,820	119,820
Insurance stamps on deposit premium	13.03	38,595,482	33,574,507
Security deposit		1,205,082	1,805,082
Unclaimed devidend	13.04	3,628,077	2,783,185
Gratuity fund	13.05	1,508,352	2,699,699
Accrued expenses	13.06	7,696,437	7,429,254
Provident fund payable	13.07	172,587	199,249
Salary payable		1,464,142	2,316,642
Service charge payable (Hansa management)		511,395	196,155
Closing balance as on 30 June		**62,795,309**	**57,774,932**

13.01 Audit fees payable

	Notes No.	Amount in Taka	
		2018	2017
Opening balance as on 1 January		1,029,508	694,925
Add: Provision made during the year		625,000	555,000
Total		**1,654,508**	**1,249,925**
Less: Paid during the year		243,417	220,417
Closing balance as on 30 June		**1,411,091**	**1,029,508**

13.02 VAT payable

	Amount in Taka	
	2018	2017
Opening balance as on 1 January	4,914,805	6,459,230
Add: Payable during the year	20,997,209	41,437,729
Total	**25,912,014**	**47,896,959**
Less: Paid during the year	20,233,061	42,982,154
Closing balance as on 30 June	**5,678,953**	**4,914,805**

As per National Board of Revenue (NBR) General Circular No-10/VAT/2002 dated 28-11-2002 and as Amended Circular No-03/VAT/2003 dated 01/04/2003 VAT payable amount has been deposited to the Bangladesh Bank through challan within 15th day of following month and submitted a return to the VAT Authority within 20th day of the following month.

13.03 Insurance stamp on deposit premium

	Amount in Taka	
	2018	2017
Opening balance as on 1 January	33,574,507	33,016,042
Add: Payable during the year	18,073,356	21,487,079
Total	**51,647,863**	**54,503,121**
Less: Paid during the year	13,052,381	20,928,614
Closing balance as on 30 June	**38,595,482**	**33,574,507**

13.04 Unclaimed dividend

Unclaimed dividend amounting to Tk.3,628,077 payable to the Shareholders to whom dividend warrants were issued but not placed for collection up to the date of Balance Sheet.

		Amount in Taka	
		2018	2017
1	Dividend payable for the year 2017	844,892	-
2	Dividend payable for the year 2016	1,631,527	1,631,527
3	Unclaimed dividend previous year	1,151,658	1,151,658
	Total unclaimed dividend	**3,628,077**	**2,783,185**

13.05 Employees gratuity fund

The company has made the provision for Employee's Gratuity Fund during the year as per Bangladesh Accounting Standard **(BAS)-19** "Employee's Retirement Benefit Scheme".

	Amount in Taka	
	2018	2017
Opening balance as on 1 January	2,699,699	4,883,364
Add: Provision made during the year	2,000,000	4,000,000
Total	**4,699,699**	**8,883,364**
Less: Transferred to the gratuity fund	1,980,000	2,652,877
Less: Paid to the employees from company's own fund	1,211,347	3,530,788
Closing balance as on 30 June	**1,508,352**	**2,699,699**

13.06 Accrued expenses

	Notes No:	Amount in Taka	
		2018	2017
Incentive	13.06.01	6,290,518	6,290,518
Health insurance		365,955	365,955
Mobile		128,600	68,300
Telephone (ressident)		29,892	17,130
Telephone (office)		41,800	20,000
Electricity		342,700	225,450
Car allowance		259,380	197,900
Car fuel		229,882	115,101
Car maintenance		7,710	128,900
Closing balance as on 30 June		**7,696,437**	**7,429,254**

13.06.01 Incentive/performance bonus for employees

	Amount in Taka	
	2018	2017
Opening balance as on 1 January	6,290,518	6,248,613
Add: Provision made during the year	-	5,928,070
Total	**6,290,518**	**12,176,683**
Less : Paid during the year	-	5,886,165
Closing balance as on 30 June	**6,290,518**	**6,290,518**

13.07 Provident fund payable

This represents amount taken as a loan from the employees' Provident Fund for the purpose of meeting administrative expenses of the company. During the year, provision made for Employees' Provident Fund as per Bangladesh Accounting Standard (BAS)-19 under "Employees Retirement Benefit Scheme".

	Amount in Taka	
	2018	2017
Opening balance as on 1 January	199,249	174,349
Add: Provision made during the year	2,614,456	5,444,402
Total fund	**2,813,705**	**5,618,751**
Total Provident fund transferred & paid	**2,641,118**	**5,419,502**
Less: Transferred to the Employees Provided fund Account.	2,641,118	5,419,502
Less: Paid to the employees from company's own fund	-	-
Closing balance as on 30 June	**172,587**	**199,249**

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14.00 Corporate income tax provision

This represents provision on account of income tax, details are as follows:

	Notes No.	Amount in Taka	
		2018	2017
Opening balance as on 1 January		243,238,890	227,569,435
Add: Provision made during the year	14.01	2,520,487	15,669,455
Total		**245,759,377**	**243,238,890**
Less: Adjustment made for Assessment year		-	-
Closing balance as on 30 June		**245,759,377**	**243,238,890**

14.01 Provision for income tax (Current year)

Statement of income	Notes No.	Taxable income	Exempted (Exceptional loss reserve & unrealised gain)	Taxable Income
Income from business or profession: (U/s 28 of ITO, 1984)		10,425,835	7,698,234	2,727,601
Interest income from FDR & STD Accounts (U/s 22)	23.00	8,224,510	-	8,224,510
Capital gains from share trading (U/s 31)	24.00	(7,461,352)	(7,461,352)	-
Gain (unrealised) on investment in securites	16.02	(8,736,843)	(8,736,843)	-
Dividend income from investment in securities (U/s 54 Rule 19)	25.00	4,037,959	-	4,037,959
Fixed assets U/S -16(3)	26.00	198,364	-	198,364
Gain from sale of furniture	26.00	11,700	-	11,700
Other income (U/S-33)	26.00	198,251	-	198,251
Total Profit/Income (before Tax)		**6,898,424**	**(8,499,960)**	**15,398,385**

Computation of current year tax provision

Particulars	Taxable income	Rate of Tax percentage	Tax provision
Income tax on business @ 37.50%	2,727,601	37.50	(1,477,150)
Income tax on interest income @ 37.50%	8,224,510	37.50	3,084,191
Income tax on capital gains from share trading @10%	-	10	-
Income tax on dividend income @ 20%	4,037,959	20	807,592
Income tax on capital gains from share trading @10%	-	10	-
Gain from sale of motor car @15%	198,364	15	29,755
Gain from sale of furniture & fixture @15%	11,700	15	1,755
Other income @37.50%	198,251	37.50	74,344
Total tax liability during the year	**15,398,385**		**2,520,487**

14.02 Deferred tax

The impact on account of changes in the deferred tax assets/liabilities for the half year ended June 30, 2018 has been recognised in the statement of profit or loss and other comprehensive income and in the statement of financial position as per **"BAS-12"** Income Taxes"

	Amount in Taka	
	2018	2017
Carrying amount of property, plant and equipment excluding land	205,862,379	211,887,457
Tax base	174,276,805	183,728,509
Total difference	**31,585,574**	**28,158,948**
Less: Permanent difference	3,689,745	4,612,181
Taxable temporary difference	**27,895,829**	**23,546,767**
Provision for gratuity	1,508,352	2,699,699
Provident fund payable	172,587	199,249
Provision for incentive bonus	6,290,518	6,290,518
Deductible temporary difference	**7,971,457**	**9,189,466**
Total (taxable)/deductible temporary difference	(19,924,372)	(14,357,301)
Tax rate	37.50%	40%
Deferred tax assets/(liability) as at 30 June	**(7,471,640)**	**(5,742,920)**
Deferred tax assets in previous year	(5,742,920)	543,980
Deferred tax (expense)/income for the year	**(1,728,719)**	**(6,286,900)**

15.00 Property, plant and equipment (at cost less accumulated depreciation)

Figures in Taka

PARTICULARS	COST				DEPRECIATION					WRITTEN DOWN VALUE (WDV)	
	Opening balance as at 01-01-2018	Addition during the year	Disposal during the year	Balance as on 30-06-2018	Rate	Opening balance as at 01-01-2018	Charged during the year	Adjustment during the year	Balance as on 30-06-2018	Balance as on 30-06-2018	Balance as on 31-12-2017
Land				-	0%		-		-	-	
Building	165,451,600	-		165,451,600	2%	3,309,032	1,621,426		4,930,458	160,521,142	162,142,568
Motor car	44,167,050	-	1,900,000	42,267,050	20%	26,956,001	1,721,105	1,081,896	27,595,210	14,671,840	17,211,049
Motor cycle	1,999,090	-	-	1,999,090	20%	1,628,552	37,054	-	1,665,606	333,484	370,538
Bi-cycle	27,550	-	-	27,550	20%	14,853	1,270	-	16,123	11,427	12,697
Furniture & fixtures	37,705,714	-	-	37,705,714	10%	15,919,124	1,089,330	-	17,008,454	20,697,261	21,786,590
Electrical fans	278,995	-	-	278,995	15%	237,106	3,142	-	240,248	38,747	41,889
Air cooler	6,098,240	-	-	6,098,240	15%	3,448,064	198,763	-	3,646,827	2,451,413	2,650,176
Electrical equipment	3,558,980	-	-	3,558,980	15%	1,933,481	121,912	-	2,055,393	1,503,587	1,625,499
Typewriters	739,700	-	-	739,700	15%	739,699	-	-	739,699	1	1
Photocopy machine	642,979	-	-	642,979	15%	517,026	9,446	-	526,472	116,507	125,953
Office equipment	5,362,969	-	-	5,362,969	15%	3,360,376	150,194	-	3,510,570	1,852,399	2,002,593
Computer	13,676,078	103,900	-	13,779,978	20%	10,463,836	326,419	-	10,790,255	2,989,723	3,212,242
Telephone & mobile installation	4,011,036	23,350	-	4,034,386	15%	3,493,872	39,663	-	3,533,535	500,851	517,164
Fax machine	704,290	-	-	704,290	15%	612,559	6,880	-	619,439	84,851	91,731
Camera & television	213,415	-	-	213,415	15%	131,183	6,167	-	137,350	76,065	82,232
Generator	48,360	-	-	48,360	20%	33,825	1,454		35,278	13,082	14,535
Total Taka - 2018	**284,686,046**	**127,250**	**1,900,000**	**282,913,296**		**72,798,589**	**5,334,225**	**1,081,896**	**77,050,917**	**205,862,379**	**211,887,457**
Total Taka - 2017	**118,606,635**	**166,079,411**	**-**	**284,686,046**		**60,667,022**	**12,131,568**	**-**	**72,798,589**	**211,887,457**	

16.00 Investment

		Amount in Taka	
		2018	2017
Held to maturity	16.01	25,000,000	9,000,000
Held for trading		-	-
Fair value through profit & loss	16.02	194,930,243	128,962,622
		219,930,243	**137,962,622**

The investment represents investment made in listed and non-listed securities and Mutual funds. Details are as under:

	Investment particulars	Notes	Value at Cost (Tk.) as on 30/06/2018	Fair Market Value (Tk.) as on 30/06/2018	Value at Cost (Tk.) as on 31/12/2017	Fair Market Value (Tk.) as on 31/12/2017
a)	10-year & 15 years Bangladesh Govt Treasury Bond @ 9.45% & @ 8.12%	16.01	25,000,000	25,000,000	9,000,000	9,000,000
b)	Investment in Listed Securities	16.02.1	219,925,626	185,546,980	151,424,158	125,677,687
c)	Investment in Non-listed Securities (571,181 Shares in Central Depository (BD) Ltd & Others	16.02.2	7,772,450	7,772,450	1,569,450	1,569,450
d)	Investment in Mutual Fund	16.02.3	2,105,606	1,610,813	2,105,610	1,715,485
	Closing balance		**254,803,683**	**219,930,243**	**164,099,219**	**137,962,622**

16.01 Bangladesh Govt Treasury Bond:

Name of the Securities	Value at Cost (Tk.) as on 30/06/2018	Fair Market Value(Tk.) as on 30/06/2018	Value at Cost (Tk.) as on 31/12/2017	Fair Market Value (Tk.) as on 31/12/2017
10-Years Bangladesh Govt Treasury Bond @ 9.45% Prime Bank Ltd, Islami Banking branch, Dhaka	9,000,000	9,000,000	9,000,000	9,000,000
15-Years Bangladesh Govt Treasury Bond @ 8.12% Bank Asia Ltd. Dhaka. **Total:**	16,000,000	16,000,000	-	-
	25,000,000	**25,000,000**	**9,000,000**	**9,000,000**

The amount of Tk.25,000,000 represents statutory deposit with Bangladesh Bank as required by Insurance Act, 2010.

16.02 Investment in securities (fair value through profit & loss)

Investment in shares are non-derivative investments that are designated as fair value through profit and loss. The Company follows trade date accounting for regular way purchase and sale of investments. As of June 30, 2018 the company had the following securities:

16.02.1 Investment in listed securities

Name of Company/Securities	No of shares as on	Average cost price (Tk) as on 30/06/2018	Value at cost (Tk.) as on 30/06/2018	Fair market value (Tk.) as on 30/06/2018	Value at cost (Tk.) as on 31/12/2017	Fair market value (Tk.) as on 31/12/2017
AB Bank Ltd	260,000	28.28	7,351,833.32	3,224,000.00	7,351,838.00	5,746,000.00
Advent Pharma Limited						
Basundara Papers Mill Ltd	21,613		1,729,040.00	1,729,040.00		
Baraka Power Limited	207,000	44.03	9,113,727.48	5,609,700.00	9,113,733.90	7,120,800.00
BBS Cables Ltd.	25,600	112.94	2,891,262.56	1,840,640.00	4,048,896.99	3,789,345.00
Beximco	15,000	31.03	465,411.00	397,500.00		
Beximco Pharma	15,000	111.86	1,677,925.00	1,443,000.00		
BRAC Bank Ltd	8,675	81.25	704,846.88	617,660.00		
CONFIDCEM	92	161.90	14,895.15	14,057.00		
Eastern Housing Ltd.	245,666	54.52	13,393,536.14	11,423,469.00	14,047,769.95	12,677,167.20
First Finance Ltd.	1,500	52.05	78,071.43	10,500.00		
First Finance Ltd.					78,071.43	17,400.00
First Security Islami Bank					6,192,240.00	6,120,000.00
Fortune shoes Limited	112,560	51.03	5,744,224.73	3,365,544.00	5,744,229.46	4,468,632.00
Golden Harvest Agro					8,208,410.46	6,997,735.70
IDLC Finance Limited	158,100	76.26	12,056,471.54	10,512,250.00	554,376.90	597,100.00
IFIC Bank					4,130,091.00	3,780,000.00
Intraco Refueling Station						
GHAIl	166,217	49.38	8,208,416.45	6,249,759.00		
Grameenphone Ltd.	1,800	471.73	849,109.83	710,280.00		
IT Consultants Limited.					3,843,932.64	2,714,436.50
KPCL	74,150	74.67	5,536,562.15	5,032,835.00		
Lankabangla Finance	2,181,481	38.67	84,348,201.96	78,942,149.20	24,305,838.96	19,621,900.00
Linde Bangladesh Ltd					4,964,228.65	4,712,279.60
MJL Bangladesh Ltd.					2,828,284.16	2,531,120.00
Mercantile Bank Ltd	105,000	23.68	2,486,200.00	1,806,000.00		
National Bank	560,000	21.18	11,859,672.00	5,488,000.00	11,859,650.00	6,500,000.00
Pubali Bank Ltd.					4,345,554.91	2,740,651.20
Queen South Textile Mills						
Shahjibazar Power Co.Ltd.(SPCL)	129,795	128.02	16,616,148.64	15,669,149.00	18,038,535.84	16,369,519.50
Summit Power	202,000	44.45	8,978,255.60	7,655,800.00	8,978,253.60	7,251,800.00
Square Pharma	7,750	306.50	2,375,359.24	2,260,675.00		
United Power Co Ltd (UPGDCL	86,318	271.63	23,446,455.19	21,544,972.80		
United Finance Ltd					1,468,164.00	1,428,000.00
Uttara Finance Ltd					11,322,057.60	10,493,800.00
Total	**4,585,317**		**219,925,626.29**	**185,546,980.00**	**151,424,158.45**	**125,677,686.70**

16.02.2 Investment in non- listed securities

Name of Company	No of shares as on	Average cost price (Tk) as on 30/06/2018	Value at cost (Tk.) as on 30/06/2018	Fair market value(Tk.) as on 30/06/2018	Value at cost (Tk.) as on 31/12/2017	Fair market value (Tk.) as on 31/12/2017
Central Depository (BD) Ltd	571,181	2.75	1,569,450	1,569,450	1,569,450	1,569,450
VFS Thread Dyeing Ltd (IPO)			2,203,000	2,203,000	-	-
ABACI IPO placement share			4,000,000	4,000,000	-	-
Total	**571,181**	**2.75**	**7,772,450**	**7,772,450**	**1,569,450**	**1,569,450**

16.02.3 Invested in Mutual Fund

Name of Company	No of shares as on	Average cost price (Tk) as on 30/06/2018	Value at cost (Tk.) as on 30/06/2018	Fair market value(Tk.) as on 30/06/2018	Value at cost (Tk.) as on 31/12/2017	Fair market value (Tk.) as on 31/12/2017
Prime Bank 1st ICB	190,000	9.08	1,724,645.20	1,311,000.00	1,724,649.00	1,406,000.00
PHP First Mutual Fund	48,357	7.88	380,961.28	299,813.00	380,961.28	309,484.80
Total	**203,747**		**2,105,606**	**1,610,813.00**	**2,105,610.28**	**1,715,484.80**
Grand Total: (b+c+d)			**229,803,682.77**	**194,930,243.00**	**155,099,218.73**	**128,962,621.50**

16.02.4 Changes in fair value of shares:

	Amount in Taka	
	2018	**2017**
Fair value of investment in shares	194,930,243	128,962,622
Cost price of the investment	229,803,683	155,099,219
Total unrealised loss	**(34,873,440)**	**(26,136,597)**
Total unrealised loss recognised in previous years as created fluctuation fund	26,136,597	64,937,555
Fair value adjustment made for the year	**(8,736,843)**	**38,800,958**

Previously the difference between cost and fair value of investment in securities amounting Tk. 71,871,274 had been shown under investment fluctuation fund. In view of compliance of BAS-39 "Financial Instrument:Presentation and recognition" investment in securities has been presented in accordance with fair value through profit or loss. Accordingly the accounts have been re-arranged and restated. During the year 2018, the Company has been provisioned fair value reserve an amount of Tk.87,36,843.00 from current year income through Profit and Loss account as a fluctuation fund.

17.00 Stock of printing & stationery (inventories)

	Amount in Taka	
	2018	**2017**
Opening balance	3,753,670	3,843,461
Add: Purchase during the year	850,876	1,906,826
Total inventories	4,604,546	5,750,287
Less: Total utilisation/consumption	1,720,250	1,996,617
Closing balance	**2,884,296**	**3,753,670**

18.00 Premium collection control account

Outstanding premium of Marine cargo for the year 2017 subsiquently was collected/adjusted and during the year Tk.55,35,000 has been added against Marine Cargo against Bank Guarantee which will be adjusted within the year.

Break-up of the above amount is given below:

		Amount in Taka	
		2018	**2017**
1	Fire	-	-
2	Marine (previous)	-	-
3	Marine	5,535,000	8,020,079
4	Marine Hull	-	-
5	Motor & Miscellaneous		-
Closing balance		**5,535,000**	**8,020,079**

19.00 Interest accrued but not received

		Amount in Taka	
		2018	**2017**
a)	Opening balance (On fixed deposit with different banks)	3,118,154	4,167,310
	Add: Accrued during the year	2,411,895	3,118,154
	Total:	**5,530,049**	**7,285,464**
	Less: Received during the year	1,559,076	4,167,310
	Total accrued interest on FDR	**3,970,973**	**3,118,154**
b)	Opening balance (10-year Bangladesh Govt Treasury Bond)	398,452	398,453
	Add: Accrued during the year	391,463	398,452
	Total:	**789,915**	**796,905**
	Less: Received during the year	199,226	398,453
	Total accrued interest on BGTB	**590,689**	**398,452**

c) Opening balance (15-year Bangladesh Govt Treasury Bond)	-	-
Add: Accrued during the year	264,711	-
Total:	**264,711**	**-**
Less: Received during the year	-	-
Total accrued interest on BGTB	**264,711**	**-**
d) Opening balance (On fixed deposit with double benefit scheeme)	5,067,060	2,931,680
Add: Accrued during the year	1,188,632	2,135,380
Total:	**6,255,692**	**5,067,060**
Less: Received during the year	-	-
Total accrued interest on FDR	**6,255,692**	**5,067,060**
Closing balance (a+b+c+d)	**11,082,065**	**8,583,666**

20.00 Amount due from other persons or bodies carrying on insurance business

	Amount in Taka	
	2018	**2017**
01. Co-insurance premium receivable from other insurance companies	4,706,663	4,151,205
02. Co-insurance claims receivable from other insurance companies	1,273,003	1,273,003
03. Claims recoverable from SBC portion	261,032,648	253,705,077
Closing balance	**267,012,314**	**259,129,285**

21.00 Sundry debtors (including advances, deposits and pre-payments)

This represents advance, deposits, pre-payments made and amount receivable from insured, which are as follows:

	Notes No.	Amount in Taka	
		2018	**2017**
Advances for Unique Heights (Head office floor space)	21.01	-	-
Advances for Tropical Homes Ltd.(Two Floor Space in Tropical Mollah Tower)	21.02	104,400,000	104,400,000
VAT receivable on collection control premium	21.03	2,327,180	2,148,796
Stamp receivable on collection control premium	21.04	774,696	809,364
Advance income tax	21.05	275,772,640	263,587,434
Advance office rent		3,688,164	3,183,158
Advance against salaries		1,236,767	1,055,261
Security deposit		228,574	228,574
Advance to suppliers		137,300	137,300
Advance against travel expenses		297,443	297,443
Advance against expenses		20,141	20,141
Other advances (Co-operative fund Unique Heights)	21.06	2,100,000	2,100,000
Closing balance		**390,982,905**	**377,967,471**

21.01 Unique Heights (Head Office Floor Space)

The company has purchased 9th floor at Unique Heights (5 units) for Head Office Floor Space measuring total 15,736 sft (approximately) at an average rate of Tk. 10,866 per sft total amounting to Tk.177,288,800 (Taka seventeen crore seventy two lac eightyeight thousand eight hundred) only including seven car spaces cost of Tk. 5,600,000 (Taka fifty six lac) only. As per Deed of Agreement the Company has already paid a total amount of Tk.165,451,600 (Taka sixteen crore fiftyfour lac fiftyone thousand and six hundred) only by instalments and balance amount of Tk. 11,837,200 (Taka one crore eighteen lac thirtyseven thousand two hundred) only will be paid at the time of registration of the floor space. The Company has taken up the possession and shifted its Head Office on 10 September 2015 to the Unique Heights (9th floor) situated at 117, Kazi Nazrul Islam Avenue, Ramna, Dhaka-1000. As per BAS-16, the Company has recognised the advances as property, plant & equipment and subsequently has charged depreciation on the cost of the said floor space in the accounts.

Payment movement to Unique Heights (Advance)	Amount in Taka	
	2018	**2017**
Opening balance	165,451,600	165,451,600
Paid during the year	-	-
Total amount paid	**165,451,600**	**165,451,600**
Transferred to the property, plant & equipment	165,451,600	165,451,600
Closing balance as on 30th June	**-**	**-**

21.02 Advances for floor space at Tropical Molla Tower

The management of the company is in the process to purchase two floor spaces measuring 15,000 sft approximately (4th and 5th floor) including 6 (six) car spaces at a total amount of Tk.102,900,000 (Ten Crore twenty nine lac) only from Tropical Homes Limited. The name of the building is **"Tropical Molla Tower"** situated at 15/1,15/2,15/3 & 15/4, Progati Sarani, Badda, Dhaka-1212. The Board of Directors at its 215th meeting dated 28-07-2011 accorded approval for the purchase of the said floors. It may be mentioned here that as per deed of agreement Tk.1,500,000 was payable on account of utility charge as an integral part of the agreement and which was already been paid to the Tropical Homes Limited. The possession of the above property has not yet been taken as such no depreciation has been charged in the accounts. Details are as follows:

Payment movement	Amount in Taka	
	2018	2017
Opening balance	104,400,000	104,400,000
During the year paid (including utility charges)	-	-
Total amount paid	**104,400,000**	**104,400,000**

21.03 VAT receivable on collection control premium

	Amount in Taka	
	2018	2017
Opening balance	2,148,796	3,870,625
Add: Receivable during the year	20,999,750	41,565,881
Total	**23,148,546**	**45,436,506**
Less: Received during the year	20,821,366	43,287,710
Closing balance as on 30th June	**2,327,180**	**2,148,796**

21.04 Stamp receivable on collection control premium

	Amount in Taka	
	2018	2017
Opening balance	809,364	7,494,367
Add: Receivable during the year	18,073,931	21,487,079
Total	**18,883,295**	**28,981,446**
Less: Received during the year	18,108,599	28,172,082
Closing balance as on 30th June	**774,696**	**809,364**

21.05 Advance income tax

	Notes No.	Amount in Taka	
		2018	2017
1. Corporate advance tax	21.05.1	230,570,854	219,985,537
2. Advance tax deduction at source on bank interest	21.05.2	45,201,786	43,601,897
Total Corporate Tax as on 3th June		**275,772,640**	**263,587,434**

21.05.1 Corporate advance tax

	Amount in Taka	
	2018	2017
Opening balance	219,985,537	186,396,947
Add:Tax paid during the year	10,585,317	33,588,590
Total advance tax paid	**230,570,854**	**219,985,537**
Less: Adjustment made during the year for assessment year	-	-
Total corporate advacne tax as on 30th June	**230,570,854**	**219,985,537**

21.05.2 Tax deducted at source on bank interest, cash dividend income and company's car

The above advance tax has been deducted from interest income of FDR, STD Accounts, Bangladesh Government Treasury Bond (BGTB) and dividend income maintained in the name of the company.

Balance on different sources	Notes No.	Amount in Taka	
		2018	2017
Balance on FDR account	21.05.2.a	28,556,906	28,102,114
Balance on BGTB account	21.05.2.b	1,383,750	1,383,750
Balance on STD account	21.05.2.c	1,880,271	1,802,767
Balance on cash dividend received account	21.05.2.d	10,780,807	9,973,214
Balance on company's car	21.05.2.e	2,600,052	2,340,052
Total balance as on 30th June		**45,201,786**	**43,601,897**

21.05.2.a Tax deducted at source on FDR interest

	Amount in Taka	
	2018	2017
Opening balance	28,102,114	27,190,097
During the year deduction	454,792	912,017
Balance as on 30 June	28,556,906	28,102,114
Less: Adjustment made during the year for assessment year	-	-
Closing balance as on 30 June	**28,556,906**	**28,102,114**

21.05.2.b Tax deducted at source on Bangladesh Govt Treasury Bond interest

	Amount in Taka	
	2018	2017
Opening balance	1,383,750	1,383,750
During the year deduction	-	-
Balance as on 30 June	1,383,750	1,383,750
Less: Adjustment made during the year	-	-
Closing balance as on 30 June	**1,383,750**	**1,383,750**

21.05.2.c Advance tax deducted at source on STD account interest

	Amount in Taka	
	2018	2017
Opening balance	1,802,767	1,683,668
During the year deduction	77,504	119,099
Balance as on 30 June	1,880,271	1,802,767
Less: Adjustment made during the year for assessment year	-	-
Closing balance as on 30 June	**1,880,271**	**1,802,767**

21.05.2.d Advance tax deduction at source cash dividend received account

	Amount in Taka	
	2018	2017
Opening balance	9,973,214	8,672,029
During the year deduction (including corporate dividend tax)	807,593	1,301,185
Balance as on 30 June	10,780,807	9,973,214
Less: Adjustment made during the year for assessment year	-	-
Closing balance as on 30 June	**10,780,807**	**9,973,214**

21.05.2.e Advance tax paid against Company's car

	Amount in Taka	
	2018	2017
Opening balance	2,340,052	1,975,052
During the year deduction	260,000	365,000
Balance as on 30 June	2,600,052	2,340,052
Less: Adjustment made during the year for assessment year	-	-
Closing balance as on 30 June	**2,600,052**	**2,340,052**

21.06 Other advance (Co-operative fund of Unique Heights)

	Amount in Taka	
	2018	2017
Total Co-operative fund of Unique Heights	**2,100,000**	**2,100,000**

The above advance has been made to the Borak Real State for Unique Heights Co-operative Fund against service charge purpose time to time in future.

22.00 Cash & cash equivalents

	Notes No.	Amount in Taka	
		2018	2017
01. Cash in hand		4,323,644	3,944,989
02. Balance with banks:		**128,137,268**	**210,524,516**
a) Short term deposits		35,175,281	39,012,721
b) Foreign currency account (USD 2,273.68 equivalent @ TK.83.70)		190,307	187,578
c) Current deposits		3,671,680	6,379,739
d) Fixed deposit receipt	22.01	89,100,000	164,944,478
Closing balance as on 30 June		**132,460,912**	**214,469,505**

22.01 Fixed deposit receipt (FDR)

	Amount in Taka	
	2018	2017
Opening balance	164,944,478	164,400,000
Add: Placed during the year	52,800,000	58,144,478
Less: Encashed during the year	(128,644,478)	(57,600,000)
Closing balance as on 30 June	**89,100,000**	**164,944,478**

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23.00 Interest income

This represents the amount received or accrued during the year on interest bearing account with different banks under the following

	Amount in Taka	
	2018	2017
01. 10-years Bangladesh Treasury Bond (9.45% on Tk.9,000,000)	617,486	617,486
02. 15-years Bangladesh Treasury Bond (8.12% on Tk.16,000,000)	402,847	-
03. On fixed deposits receipts	5,384,101	6,915,693
04. On fixed deposits receipts (Bouble Benefit Scheme)	1,188,632	-
05. On short term deposits	631,444	404,048
Total	**8,224,510**	**7,937,227**

24.00 Investment income (share trading)

This represents the amount received during the year from sale of investment shares

	Notes No.	Amount in Taka	
		2018	2017
Income from share trading		3,818,344	10,256,821
Less: Loss on shares sells	24.01	11,279,696	-
Net income/(loss) from share trading		**(7,461,352)**	**10,256,821**

24.01 Loss on shares sells

This represents the amount realized loss during the year from sale of investment shares

	Amount in Taka	
	2018	2017
Total loss on shares sells	**11,279,696**	**-**

25.00 Cash dividend income on investment

This represents the amount received during the year from share investment in different securities of listed or non listed company's investment accounts:

	Amount in Taka	
	2018	2017
Cash dividend received from share investments	**4,037,959**	**3,834,601**

26.00 Other non-operating income

	Notes No.	Amount in Taka	
		2018	2017
Gains on sale of motor car	26.01	198,364	-
Gains on sale of furniture & fixtures		11,700	-
Other income		198,251	1,298
Total		**408,315**	**1,298**

26.01 Profit from sales/transferred of Motor Car:

Cost price	1,300,000	-
Less: Accumulated Depreciation	1,081,896	-
Written down value	**218,104**	
Sales/Transferred of Car No-DM-GA-31-9123	416,468	-
Profit:	**198,364**	-

26.02 Gains / (loss) on foreign exchange

	Amount in Taka	
	2018	2017
Gains/(loss) on foreign exchange	**2,729**	**1,298**

27.00 Directors fees

The company pays fees to its Directors for attending the Board meeting and its Committee meetings as permitted by Insurance Development and Regulatory Authority. As per IDRA circular no-Pro:Bi:Ni:-15/01/96/Part-1 dated 26-08-2010, a Director may be paid fees for attending Board meeting or its Committee meetings which shall not exceed Tk.5,000 (five thousand) for attending each meeting. IDRA has issued new circular No-53.03.0000.009.014.18.123 dated May 31, 2018 may be paid Director's fees for attending Tk.8,000.00 (Eight thousand) only effected from May 31, 2018. Details are as given below:

Particulars	Attendance fee per meeting	Meeting held	Total attended	Amount in Taka	
				2018	2017
Board meeting				417,000	730,000
Executive Committee meeting				111,000	
Audit Committee meeting				85,000	
Remunaration Committee				-	
Claims Review Committee				15,000	
Inquery Committee				110,000	
Total				**738,000**	**730,000**

It may be mentioned here that the above amount has been accounted for in the statement of profit or loss and other comprehensive income (Profit and Loss Account).

28.00 Audit fees

	Amount in Taka	
	2018	2017
Statutory audit	250,000	195,000
Corporate governance audit	25,000	25,000
Special audit	350,000	400,000
Total	**625,000**	**620,000**

29.00 Registration renewal fee

This represents fee for renewal of registration with the office of the Insurance Development & Regulatory Authority (IDRA) U/S 11 of the Insurance Act, 2010, which is equivalent to Tk.3.50 per thousand of gross direct premium written during the immediate preceding year of payment.

	Amount in Taka	
	2018	2017
Registration renewal fees	**-**	**50,000**

30.00 Employee's salary and allowances

	Amount in Taka	
	2018	2017
Employees salary and allowances (including CEO's salary)	32,681,488	33,511,653
Employees provident fund (Company's contribution)	1,307,228	1,295,559
Employees gratuity fund	2,000,000	1,750,000
Employees group insurance	-	-
Employees incentive/performance bonus	-	-
Employees festival bonus	2,702,382	2,714,544
Total	**38,691,098**	**39,271,756**

31.00 Chief Executive Officer's salary & allowances

The CEO has been appointed with the approval from Insurance Development & Regulatory Authority (IDRA) with a certain salary scale. As per the IDRA Regulations the Board of Directors may revise this remuneration at the time of renewal of agreement for each term of 3 years. In addition to remuneration, the CEO is also provided with Company's vehicles, cell phone, and other allowances as per the terms of appointment or reappointment. The Chief Executive Officer's salaries and allowances status are given below:

	Amount in Taka	
	2018	2017
Basic salary	1,732,500	1,650,000
House rent	779,625	742,500
House maintenance	162,375	247,500
Leave fare	-	247,500
Medical allowances	193,250	165,000
Entertainment	259,875	247,500
Festival bonus	288,750	275,000
Performance bonus & others allowances	-	-
Total	**3,416,375**	**3,575,000**

It may be mentioned here that the above amount has been shown in Revenue Account as Management expenses in the Financial Statements.

32.00 Agent commission

As directed by the Insurance Development & Regulatory Authority (IDRA) vide Circular No- Non-Life-32/2012 dated 01/04/2012 appropriate steps have been taken in payment of agency commission and the following payment has been made to Agency license holders as agent commission:

	Amount in Taka	
	2018	2017
Fire	21,495,971	31,460,980
Marine	15,177,408	14,553,316
Marine Hull	30,000	146,003
Motor	2,944,399	3,478,263
Miscellaneous	5,836,384	9,994,622
Total	**45,484,163**	**59,633,184**

It may be mentioned that as per Income Tax Ordinance, 1984, under section 53 (uma) at Source Tax has been deducted from Agent Commission and has been deposited to the Bangladesh Bank through challan within 15th day of the following month.

33.00 Net assets value (NAV)

Net Asset Value (NAVs) per share has been calculated by dividing net asset value reported in the statement of financial position by the weighted average number of ordinary shares in issue.

	Amount in Taka	
	2018	2017
Shareholders' equity	646,937,765	656,173,250
Weighted average number of shares	40,877,498	40,877,498
Net assets value per share at the balance sheet date	**15.83**	**16.05**

34.00 Net operating cashflows

Net Operating Cash Flows (NOCFs) per share has been calculated by dividing net cash used in operating activities reported in the cash flows statement by the weighted average number of ordinary shares in issue.

	Amount in Taka	
	2018	2017
Net cash used in operating activities	(30,089,744)	115,268,009
Weighted average number of shares	40,877,498	40,877,498
Net operating cash flows per share on shares at balance sheet date	**(0.74)**	**2.82**

35.00 Number of employees engaged

Total number of 189 employees engaged for whole year whose service has been confirmed and drawn salary as per the company's approved Service Rules and pay scale.

36.00 Event after the reporting period (balance sheet date)

The Board of Directors has recommended 15% cash dividend totaling Tk. 61,316,247 on paid-up capital of Tk.408,774,980 for the year ended December 31, 2017 at its 299th Board Meeting held on February 07, 2018 subject to the approval of the AGM. After allowing this dividend, the balance in accumulated profit/(loss) of the company will be Tk**. 15,363,069.**

Under Bangladesh Accounting Standard (BAS) 10**:** Events after the reporting period, dividend was declared after the balance sheet date should not be classified as a liability at the balance sheet date as the proposed dividend does not represent a present obligation under BAS 37: Provisions, contingent liabilities and contingent assets.

37.00 Transaction with related parties

Prime Insurance Company Ltd in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party transaction as per Bangladesh Accounting Standard **(BAS)-24** and under the condition No 1.5(vi) of the Corporate governance guidelines of the Bangladesh Securities & Exchange Commission rules and regulations. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Detail of transactions with related parties and balances with them as at December 31, 2018 are as follows:

Name of the related party	Relationship	Name of transaction	Premium earned	Premium outstanding during the year against Bank Guarantee	Amount realized subsequently	Claim Paid
GQ group	Common Director	Insurance				
Dekko group	Common Director	Insurance				
Getco	Common Director	Insurance				
Popular Pharma	Common Director	Insurance				
Electra	Common Director	Insurance				
Agami Traders	Common Director	Insurance				

38.00 Useful information for the shareholders

38.01 Contingent liability

There are some reference appeals and applications made from July 1999 to December 2001 (3½ years) pending against imposition of additional VAT and penalty thereof the company and no verdict has yet been received. Therefore, contingent liabilities of the company in respect of disputed additional VAT and penal VAT demanded by VAT authorities are as follows.

Particulars		Amount Tk.	
		2018	2017
Additional VAT		12,266,825	12,266,825
Disputed VAT		23,918,583	23,918,583
Miscellaneous claims		83,810,000	83,810,000
Total		**119,995,408**	**119,995,408**

The required provision, if any, in consequence of the pending process of appeals and application will be made in the year(s) of disposal thereof.

38.02 Miscellaneous claims

The above claim being company's 85% share in the loss was repudiated by the Executive Committee in the meeting # 26 held on 06/07/2005. Upon receipt of letter of repudiation from this company, the Insured M/s. Sigma Sea Foods Ltd instituted a Money Suit against the leading insurer (Prime Insurance Co. Ltd.) and other Co-Insurer in the Court of Joint Dist. Judge, Khulna. The Claim is now under Subjudice

38.03 The history of raising of paid-up share capital

One of the prime objectives of Prime Insurance Company Ltd is to provide consistently good return to its shareholders and with that end in view a chronological statements of dividend and capital raising history is given below. From the detail chart it may be observed that the company has been maintaining and made up a stable and attractive dividend policy in line with the sound underwriting and investment results. The Company has also a policy of timely preparation of its financial statements and holding of AGM.

Year	Particulars	No. of Shares increasing	Value per Share (Taka)	Value of Shares (in Taka)	Cumulative paid-up Capital (Value In Taka)
1996	As per MOA & AOA	600,000	100	60,000,000	60,000,000
2000	Initial Public offerings	900,000	100	90,000,000	150,000,000
2007	10% Bonus Shares	150,000	100	15,000,000	165,000,000
2008	10% Bonus Shares (public only)	65,466	100	6,546,600	171,546,600
2009	20% Bonus shares	343,093	100	34,309,300	205,855,900
2010	30% Bonus Shares	617,567	100	61,756,770	267,612,670
2011	10% Bonus shares	2,676,126	10	26,761,260	294,373,930
2012	15% Bonus shares	4,415,609	10	44,156,080	338,530,010
2013	15% Bonus shares	5,077,950	10	50,779,500	389,309,510
2014	5% Bonus shares	1,946,547	10	19,465,470	408,774,980

Enamul Haque Khan
Company Secretary

Md. Lokman Hossain
Head of Accounts

Badal Chandra Rajbangshi
Chief Financial Officer

Mohammodi Khanam
Chief Executive Officer

A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

Dated: Dhaka
July 19, 2018

Prime Insurance Company Limited

Statement of Expenses of Management

For the Second Quarter (Half Year) Ended June 30, 2018

Sl No.	Accounts Title	Charge to Revenue Accounts	Charge to Profit & Loss.	Total as on 30-06-2018	Remarks
1	Salary and allowances	32,681,488	-	32,681,488	
2	Provident fund	1,307,228	-	1,307,228	
3	Festival bonus	2,702,382	-	2,702,382	
4	Leave encashment	336,685	-	336,685	
5	Medical expenses	600	-	600	
6	Group insurance	-	-	-	
7	Uniform and liveries	66,389	-	66,389	
8	Gratuity fund	2,000,000	-	2,000,000	
9	Car fuel	862,292	-	862,292	
10	Car maintenance	612,176	-	612,176	
11	Car allowances	605,320	-	605,320	
12	Conveyance	496,285	-	496,285	
13	Travelling	1,044,630	-	1,044,630	
14	Office rent	3,819,655	-	3,819,655	
15	Rates and taxes	249,000	-	249,000	
16	Printing and stationary	850,876	-	850,876	
17	Entertainment	324,021	-	324,021	
18	Electricity	518,924	-	518,924	
19	Reparirs and maintenance	494,611	-	494,611	
20	Bank charges	195,767	-	195,767	
21	Insurance stamp expeses	366,055	-	366,055	
22	Trade licence fees	62,365	-	62,365	
23	Books and periodicals	30,969	-	30,969	
24	Postage, revenue stamps	221,806	-	221,806	
25	Traning expenses	29,937	-	29,937	
26	Employee's car facility	1,209,000	-	1,209,000	
27	Stamp duty on PSB	2,153	-	2,153	
28	Expenses of management (PSB)	2,337,322	-	2,337,322	
29	Renewals and registration (Car)	76,576	-	76,576	
30	Business expenses (PSB)	26,667		26,667	
31	Insuracne premium (Motor Car)	227,316	-	227,316	
32	Insuracne premium (CIS)	720,871	-	720,871	
33	Wages	161,765	-	161,765	
34	Internship expenses	81,800	-	81,800	
35	Service charges	936,226	-	936,226	
36	Health insurance policy	240,984	-	240,984	
37	Annual listing fees	849,465	-	849,465	
38	Bank charges (investment)	105,772	-	105,772	
39	Agent license fee	200	-	200	
40	Internet bills	457,620	-	457,620	
41	Telephone and telex	317,423	-	317,423	
42	Office maintenance (Tea, drinking)	343,785	-	343,785	
43	Office rent & Other VAT expenses	428,966			
44	Meeting expenses		662,062	662,062	
45	Incentive/Performance bonus		-	-	
46	Advertisement		922,741	922,741	
47	Donation, subscription & club dues		39,200	39,200	
48	Directors' fees		738,000	738,000	
49	Registration fees		-	-	
50	Audit fees		625,000	625,000	
51	Legal and profeessional fees		591,195	591,195	
52	Depreciation		5,334,225	5,334,225	
53	Business Dev. expenses	-		-	
	Total :	**58,403,372**	**8,912,423**	**67,315,795**	

PRIME INSURANCE COMPNY LIMITED

Classified Summary of Assets as at December 31, 2018

Form "AA"		Amount in Taka	
		31.12.2018	31.12.2017
Sl. No.	Class of Assets	Book Value	Book Value
A. NON CURRENT ASSETS:			
i) Property, Plant & Office Equipments		**205,862,379**	**211,887,457**
(a)	Unique Heights (Floor space)	160,521,142	162,142,568
(b)	Motor car	14,671,840	17,211,049
(c)	Motor cycle	333,484	370,538
(d)	Bi-cycle	11,427	12,697
(e)	Furniture & fixtures	20,697,260	21,786,590
(f)	Electrical fans	38,747	41,889
(g)	Air cooler	2,451,413	2,650,176
(h)	Electrical equipment	1,503,587	1,625,499
(i)	Typewriters	1	1
(j)	Photocopy machine	116,507	125,953
(k)	Office equipment	1,852,399	2,002,593
(l)	Computer	2,989,723	3,212,242
(m)	Telephone & mobile Installation	500,851	517,164
(n)	Fax machine	84,851	91,731
(o)	Camera & television	76,065	82,232
(p)	Generator	13,082	14,535
ii) Investment:		**219,930,243**	**137,962,622**
(a)	10 Years Bangladesh Government Treasury Bond	25,000,000	9,000,000
(b)	Shares of Listed Company	185,546,980	125,677,687
(c)	Investment in Non Listed Company	7,772,450	1,569,450
(d)	Mutual funds	1,610,813	1,715,485
Total non current assets =(i+ii)		**425,792,622**	**349,850,078**
B) CURRENT ASSETS:		**811,046,702**	**872,967,858**
(a)	Investment in fixed deposits receipts (FDR)	89,100,000	164,944,478
(b)	STD Accounts balance with banks	35,175,281	39,012,721
(c)	Current accounts balance with banks	3,861,987	6,567,317
(d)	Cash in hand as on December 31,2017.	4,323,644	3,944,989
(e)	Premium collection control account	5,535,000	8,020,079
(f)	Interest accrued	11,082,065	8,583,666
(g)	Sundry debtors	390,982,905	377,967,471
(h)	Amount due from other persons or bodies carrying on insurance business	267,012,314	259,129,285
(i)	Stock of printing materials in hand	2,884,296	3,753,670
(j)	Stamps in hand	1,089,210	1,044,182
C) OTHER ASSETS			
Deferred tax assets		-	-
TOTAL ASSETS =(A+B+C):		**1,236,839,324**	**1,222,817,936**

Md. Zakiullah Shahid — Chairman
#REF! — Director
0 — Director
Mohammodi Khanam — Chief Executive Officer

INCOME STATEMENT (Un-audited)

For the First Quarter Ended March 31, 2018

INCOME STATEMENT:	January to March-2018	January to March-2017
	Amount in Taka	Amount in Taka
Gross direct premium	303,227,751	196,277,159
Premium on PSB	31,193,332	11,298,942
R/I Premium on acceptance	411,008	98,416.00
Total Gross Premium Income	**334,832,091**	**207,674,517**
Less : Re-insurance ceded	205,105,330	171,768,797
Less : R/I premium on PSB	27,083,630	9,732,807
Net Premium Income	**102,643,131**	**26,172,913**
Add : Net R/I commission earned	26,212,714	39,864,137
Add : Net premium reserve retained	70,890,972	11,368,968
Less : Reserve for unexpired risk.	41,065,786	10,475,685
Less : Agent commission	45,484,163	29,441,574
Less: Management expenses (Revenue A/c)	58,403,372	26,862,840
Less: Management expenses (P/L A/c)	8,912,423	3,982,760
Less : Net claims	35,457,967	4,499,443
Operating Profit (U/W Profit/ (Loss)	**10,423,106**	**2,143,716**
Add : Non-operational Income :	**(3,524,682)**	**31,772,251**
Interest income	8,224,510	5,115,547
Share investment income	(7,461,352)	6,784,458
Dividend received income on share investment	4,037,959	1,801,309
Increased/(Decreased) of fair value on investment in shares	(8,736,843)	18,063,474
Foreign exchange gain	2,729	6,165.00
Others income	408,315	1,298
Profit Before Tax :	**6,898,424**	**33,915,967**
Less : Provision for income tax	2,520,487	142,876
Less : Deffered tax	1,728,719	2,786,261
Net Profit after Tax	**2,649,218**	**30,986,830**
Earning Per Share (EPS Taka 10/= each)	**0.06**	**0.76**
Weighted average number of outstanding shares	**40,877,490**	**40,877,480**

Enammul Haque Khan
Company Secretary

Md. Lokman Hossain
Head of Accounts

Badal Chandra Rajbangshi
Chief Financial Officer

Mohammodi Khanam
Chief Executive Officer

A.Z.M Sazzadur Rahman
Director

Md. Zakiullah Shahid
Chairman

Prime Insurance Company Limited
Deferred tax calculation

	2018	2017	2016	2015	2014	
Carrying amount of property, plant & equipment	205,862,379	211,887,457	57,939,614	57,650,145	45,486,478	
Tax base	174,276,805	183,728,509	40,560,627	41,481,028	23,287,185	
Total difference	**31,585,574**	**28,158,948**	**17,378,987**	**16,169,117**	**22,199,293**	
Less: Permanent difference	3,689,745	4,612,181	5,765,227	3,082,137	3,852,672	
Taxable temporary difference	**27,895,829**	**23,546,767**	**11,613,760**	**13,086,980**	**18,346,621**	
Provision for gratuity	1,508,352	2699699	5,289,914	7,680,905	5,759,483	
Provident fund payable	172,587	199249	174,349	2,392,130	2,645,459	
Provision for incentive bonous	6,290,518	6290518	7,509,447	7,724,648	10,630,262	
Deductible temporary difference	**7,971,457**	**9,189,466**	**12,973,710**	**17,797,683**	**19,035,204**	
Total (taxable) /deductible temporary difference	**(19,924,372)**	**(14,357,301)**	**1,359,950**	**4,710,703**	**688,583**	
Tax rate	37.50%	40%	40%	40%	42.5%	Profit and loss appropriation account at the be
Deferred tax assets/(liability) as at 31 December	(7,471,640)	(5,742,920)	543,980	1,884,281	292,648	
Deferred tax assets in previous year	(5,742,920)	543,980	1,884,281	2,347,821	-	Profit and loss appropriation account at the en
Deferred tax (Expense)/income for the year	**(1,728,719)**	**(6,286,900)**	**(1,340,301)**	**(463,540)**	292,648	

Journal entries

2014	**1**	Deferred Tax Liability…Dr	4,500,000		
		Profit & loss appropriation Account…Cr.		4,500,000	
		Reversal of deferred tax liability			
	2	Deferred tax assets……	(463,540)		Profit and loss appropriation account at end of 2014
		Deferred tax income……		(463,540)	
		Recognition of deferred tax assets			

				Deferred tax assets	2,347,821
		Deferred tax expense……	1,340,301		

2015	1	Deferred tax assets.....		1,340,301
		De-recognition of deferred tax assets		
2016	1	Deferred tax expense.....	1,728,719	
		Deferred tax assets.....Cr		1,728,719
		De-recognition of deferred tax assets		
2017	1	Deferred tax expense.....	6,286,900	
		Deferred tax assets.....Cr		6,286,900
		De-recognition of deferred tax assets		

Year	Openning balance	Depreciation rate	Depreciation charged during the year
2012	6,688,666	20%	668,867
2013	6,019,799	20%	1,203,960
2014	4,815,840	20%	963,168
2015	3,852,672	20%	770,534
2016	6,748,267	20%	983,040
2017	5,765,227	20%	1,153,045
2018	4,612,181	20%	922,436

Year	Depreciable value as per Company	Depreciable value as per DCT	Difference
2012	17,936,976	11,248,310	6,688,666
2016	6,170,630	2,504,500	3,666,130
2017			

Tax based depreciation schedule- 2018

Name of Assets	WDV before charging depreciation				Rate		Depreciation		Total	WDV as at 31 December 2018
	WDV as at 1 January 2018	Additions during the year	Disposal during the year	Balance at 31 December 2018 before charging depreciation	Normal	Initial	Normal	Initial		
Building (Unique Heights)	148,906,440	-		148,906,440	10%		7,445,322		7,445,322	141,461,118
Furniture	19,293,201	-	-	19,293,201	10%		964,660	-	964,660	18,328,541
Office and Electrical Equipment	3,755,361	106,750	-	3,862,111	10%		193,106	-	193,106	3,669,006
Office decoration	2,016,140	-	-	2,016,140	10%		100,807	-	100,807	1,915,333
Air cooler	2,888,798	-	-	2,888,798	10%		144,440	-	144,440	2,744,358
Motor Vehicles	4,708,510	-	-	4,708,510	20%		470,851	-	470,851	4,237,659
Computer & Software	1,312,654	-	-	1,312,654	30%		196,898	-	196,898	1,115,756
Telephone installation	828,634	-	-	828,634	10%		41,432	-	41,432	787,203
Generator	18,770	-	-	18,770	10%		938	-	938	17,831
Total	**########**	**106,750**	**-**	**########**	**-**	**-**	**9,558,454**	**-**	**9,558,454**	**174,276,805**

Tax based depreciation schedule- 2017

Name of Assets	WDV before charging depreciation				Rate		Depreciation		Total	WDV as at 31 December 2017
	WDV as at 1 January 2017	Additions during the year	Disposal during the year	Balance at 31 December 2017 before charging depreciation	Normal	Initial	Normal	Initial		
Building (Unique Heights)	-	165,451,600		165,451,600	10%		16,545,160		16,545,160	148,906,440
Furniture	21,403,954	32,936	-	21,436,890	10%		2,143,689	-	2,143,689	19,293,201
Office and Electrical Equipment	3,945,605	227,019	-	4,172,624	10%		417,262	-	417,262	3,755,361
Office decoration	2,240,156	-	-	2,240,156	10%		224,016	-	224,016	2,016,140
Air cooler	3,205,776	4,000	-	3,209,776	10%		320,978	-	320,978	2,888,798
Motor Vehicles	5,873,779	11,858	-	5,885,637	20%		1,177,127	-	1,177,127	4,708,510
Computer & Software	1,651,662	223,558	-	1,875,220	30%		562,566	-	562,566	1,312,654
Telephone Installation	792,265	128,440	-	920,705	10%		92,070	-	92,070	828,634
Generator	20,855	-	-	20,855	10%		2,086	-	2,086	18,770
Total	**39,134,052**	**########**	**-**	**########**	**-**	**-**	**21,484,954**	**-**	**#######**	**183,728,509**

Tax depreciation schedule- 2016

Name of Assets	WDV before charging depreciation				Rate		Depreciation		Total	WDV as at 31 December 2016
	WDV as at 1 January 2016	Additions during the year	Disposal during the year	Balance at 31 December 2016 before charging depreciation	Normal	Initial	Normal	Initial		
Furniture	21,289,219	2,492,952		23,782,171	10%		2,378,217	-	2,378,217	21,403,954
Office and Electrical Equipment	4,223,600	160,405		4,384,005	10%		438,401	-	438,401	3,945,605
Office decoration	2,489,062	-		2,489,062	10%		248,906	-	248,906	2,240,156
Air cooler	2,994,535	567,438		3,561,973	10%		356,197	-	356,197	3,205,776

Motor Vehicles	4,837,724	2,504,500		7,342,224	20%		1,468,445	-	1,468,445	5,873,779
Computer & Software	2,133,017	226,500		2,359,517	30%		707,855	-	707,855	1,651,662
Telephone Installation	811,814	68,480		880,294	10%		88,029	-	88,029	792,265
Generator	23,172	-		23,172	10%	-	2,317	-	2,317	20,855
Total	**38,802,145**	**6,020,275**	**-**	**44,822,420**			**5,688,368**	**-**	**5,688,368**	**39,134,052**

Tax depreciation schedule- 2015

Name of Assets	WDV before charging depreciation				Rate		Depreciation		Total	WDV as at 31 December 2015
	WDV as at 1 January 2015	Additions during the year	Disposal during the year	Balance at 31 December 2015 before charging depreciation	Normal	Initial	Normal	Initial		
Furniture	4,990,486	18,664,202	-	23,654,688	10%		2,365,469	-	2,365,469	21,289,219
Office and Electrical Equipment	2,873,284	1,819,605	-	4,692,889	10%		469,289	-	469,289	4,223,600
Office decoration	2,765,625	-	-	2,765,625	10%		276,562	-	276,562	2,489,062
Air cooler	3,327,261	-	-	3,327,261	10%		332,726	-	332,726	2,994,535
Motor Vehicles	6,023,125	24,030	-	6,047,155	20%		1,209,431	-	1,209,431	4,837,724
Computer & Software	2,453,081	594,086	-	3,047,167	30%		914,150	-	914,150	2,133,017
Telephone Installation	828,576	73,440	-	902,016	10%		90,202	-	90,202	811,814
Generator	25,747	-	-	25,747	10%		2,575	-	2,575	23,172
Total	**23,287,185**	**21,175,363**	**-**	**44,462,548**			**5,660,404**	**-**	**5,660,404**	**38,802,145**

Tax depreciation schedule - 2014

Name of Assets	WDV before charging depreciation				Rate		Depreciation		Total	WDV as at 31 December 2014
	WDV as at 1 January 2014	Additions during the year	Disposal during the year	Balance at 31 December 2014 before charging depreciation	Normal	Initial	Normal	Initial		
Furniture	3,682,942	1,862,042	-	5,544,984	10%		554,498	-	554,498	4,990,486
Office and Electrical Equipment	2,874,038	318,500	-	3,192,538	10%		319,254	-	319,254	2,873,284

Office decoration	3,072,916	-	-	3,072,916	10%		307,292	-	307,292	2,765,625
Air cooler	479,307	3,217,650	-	3,696,957	10%		369,696	-	369,696	3,327,261
Motor Vehicles	7,528,906		-	7,528,906	20%		1,505,781	-	1,505,781	6,023,125
Computer & Software	1,010,157	2,494,245	-	3,504,402	30%		1,051,321	-	1,051,321	2,453,081
Telephone and Installation	810,790	109,850	-	920,640	10%		92,064	-	92,064	828,576
Generator	28,608	-	-	28,608	10%		2,861	-	2,861	25,747
Total	**19,487,664**	**8,002,287**	**-**	**27,489,951**			**4,202,766**	**-**	**4,202,766**	**23,287,185**

Written down value
6,019,799
4,815,840
3,852,672
3,082,137
5,765,227
4,612,181
3,689,745

3,666,130

Year	Value of Car	Percent	Acc.Dep.	W.D.Value
2011	1,300,000	20	260,000	1,040,000
2012	1,040,000	20	208,000	832,000
2013	832,000	20	166,400	665,600
2014	665,600	20	133,120	532,480
2015	532,480	20	106,496	425,984
2016	425,984	20	85,197	340,787
2017	340,787	20	68,157	272,630
2018	272,630	20	54,526	**218,104**
			1,081,896	

Year	**Value of Car**	**Percent**	**Acc.Dep.**	**W.D.Value**
2011	1,900,000	20	380,000	1,520,000
2012	1,520,000	20	304,000	1,216,000
2013	1,216,000	20	243,200	972,800
2014	972,800	20	194,560	778,240
2015	778,240	20	155,648	622,592
2016	622,592	20	124,518	498,074
2017	498,074	20	99,615	398,459
2018	398,459	20	79,692	**318,767**
			1581233	

499,336.7