

Notes to the Financial Accounts.

Notes to the Financial Accounts

For the year ended December 31, 2009

03. SHARE CAPITAL

	2009 Taka	2008 Taka
Issued, Subscribed & Paid-up capital 15,00,000 ordinary shares of Tk. 100 each	150,000,000.00	150,000,000.00

This is made up as follows

Category of Shareholder	No. of Share	% of holding	Amount (Tk.)
1. Sponsors	600,000	40%	60,000,000.00
2. General Public	358,300	24%	35,830,000.00
3. Institution	541,700.00	36%	54,170,000.00
	1,500,000	100%	150,000,000.00

Classification of Shareholders as per their share holdings

i) Group A: shareholders (Sponsors)

Class Interval	No. of Shares	No. of Share (Holder)	% of holding	% of Total Paid-up capital
001 - 5000	5,000	1	0.83	0.33
5001 - 10000	30,000	3	5.00	2.00
10001 - 20000	40,000	2	6.67	2.67
20001 - 30000	255,000	9	42.50	17.00
30001 - 40000	80,000	2	13.33	5.33
40001 - 50000	Nil	Nil	Nil	Nil
50001 - 100000	190,000	3	31.67	12.67
Total of (i)	600,000	20	100.00	40.00

ii) Group B: shareholders (Public & Institutions)

Class Interval	No. of Shares	No. of Share (Holder)	% of holding	% of Total Paid up capital
001 - 500	156,850	1,804	17.43	10.46
501 - 5000	250,350	152	27.82	16.69
5001 - 10000	122,950	17	13.66	8.20
10001 - 15000	73,700	6	8.19	4.91
15001 - 20000	35,500	2.00	3.94	2.37
20001 - 25000	Nil	Nil	Nil	Nil
25001 - 30000	29,500	1	3.28	1.97
30001 - 35000	Nil	Nil	Nil	Nil
35001 - 40000	Nil	Nil	Nil	Nil
40001 - 45000	Nil	Nil	Nil	Nil
45001 - 50000	Nil	Nil	Nil	Nil
50001 - 100000	231,150	3	25.68	15.40
Total of (ii)	900,000	1,985	100.00	60.00
Grand Total (i+ii)	1,500,000	2,005	131.67	100.00

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For the year ended December 31, 2009

04. RESERVE OR CONTINGENCY ACCOUNTS TK. 8,09,88,864.00

This is made up as follows

Reserve for exceptional losses

General Reserve

Profit & Loss Appropriation accounts

Total Taka

2009

Total

2008

Total

59,729,578.00	51,559,763.00
5,000,000.00	2,200,000.00
16,259,268.00	160,281.00
80,988,846.00	53,920,044.00

4.01 Reserve for exceptional losses TK. 5,97,29,578.00

This is made up as follows

Opening Balance

Add: Addition during the year

Closing Balance

Taka

Total

Total

51,559,763.00	42,679,763.00
8,169,815.00	8,880,000.00
59,729,578.00	51,559,763.00

4.02 General Reserve TK. 50,00,000.00

This is made up as follows

Opening Balance

Add: Addition during the year

Closing Balance

Taka

Total

Total

2,200,000.00	2,000,000.00
2,800,000.00	200,000.00
5,000,000.00	2,200,000.00

4.03. Profit & Loss Appropriation Accounts

Tk. 16,259,268.00 represents the balance of retained profit after provision of reserve for exceptional loss, general reserve, provision for income tax and dividend.

05. BALANCE OF FUND & ACCOUNTS TK. 4,11,88,607.00

This is made up as follows

Total

Fire Insurance Business Account

Marine Insurance Business Account

Motor Insurance Business Account

Miscellaneous Insurance Business Account

Total Taka

Total

7,481,121.00	11,568,043.00
17,518,134.00	26,956,920.00
4,088,041.00	3,308,783.00
12,101,311.00	1,214,323.00
41,188,607.00	4,30,48,069.00

Reserve for unexpired risk has been made on net premium income excluding public sector business at the following rates:

Fire Insurance	50%
Marine Insurance	50%
Insurance	100%
Motor Insurance	50%
Miscellaneous Insurance	50%

06. PREMIUM DEPOSIT TK. 3,45,99,280.00

The balance represents the amount received against cover-notes but risks have not been initiated within 31st December'2009.

Notes to the Financial Accounts

For the year ended December 31, 2009

07. ESTIMATED LIABILITY IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED TK. 6,46,37,807.00

This is made up as follows

	2009	2008
Fire Insurance	59,137,807.00	51,285,954.00
Marine Insurance	5,000,000.00	200,000.00
Motor Insurance	500,000.00	250,000.00
Total Taka	64,637,807.00	5,17,35,954.00

08. AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS TK. 2,21,29,164.00

This represents amount due to Sadharan Bima Corporation on Re-Insurance accounts after adjustment of Public Sector Business and to other Insurance Companies on Co-Insurance Scheme at December 31, 2009

09. SUNDRY CREDITORS TK. 5,67,91,673.00

Sundry Creditors consists of the followings

	2009	2008
Value added Tax (VAT)	1,026,457.00	881,513.00
Audit Fees	260,000.00	250,000.00
Legal Fees	66,190.00	66,190.00
Employees Income Tax	33,380.00	35,530.00
Income Tax on Office Rent	40,208.00	---
Office Rent	---	23,158.00
Provident Fund	333,476.00	333,476.00
Unclaimed Dividend	3,104,558.00	2,551,379.00
Salary & Allowances	1,881,714.00	---
Provision for Income Tax	42,545,690.00	31,077,087.00
Loans Karza Hasana	7,500,000.00	---
Total Taka	56,791,673.00	3,52,18,333.00

09.01 We note that VAT TK. 10,26,457.00 has since been paid off.

09.02 Audit Fees Tk. 2,60,000.00

This is made up as follows

	Taka
Statutory Audit Fees - 2009	30,000.00
Statutory Audit Fees - 2009	65,000.00
Special Audit Fees - 2008	55,000.00
Special Audit Fees - 2007	55,000.00
Special Audit Fees - 2006	55,000.00
Total Taka	260,000.00

09.03 Unclaimed Dividend Tk.. 31,04,558.00

This is made up as follows

	Taka
For the year - 2004	665,575.00
For the year - 2005	530,550.00
For the year - 2006	570,525.00
For the year - 2007	493,204.00
For the year - 2008	844,704.00
Total Taka	3,104,558.00

09.04 The Company maintains Gratuity & Provident Fund for its employees i.e. Executive, Officers and Staff. All contribution have been transferred to the fund Account regularly.

Notes to the Financial Accounts

For the year ended December 31, 2009

9.05 Provision for Income Tax TK. 4,25,45,690.00

The break up is noted below

Accounting year	Assessment year	Amount in Taka
31-12-2002	2003-2004	1,444,516.00
31-12-2003	2004-2005	2,860,368.00
31-12-2004	2005-2006	4,040,203.00
31-12-2005	2006-2007	4,000,000.00
31-12-2006	2007-2008	6,850,000.00
31-12-2007	2008-2009	7,332,000.00
31-12-2008	2009-2010	4,550,000.00
31-12-2009	2010-2011	11,468,603.00
Total		42,545,690.00

i) Against the provision a sum of Tk. 35,463,058.00 has been paid of far including income tax deducted at source.
ii) Deferred Tax Liability.

We note that Deferred Tax liability if any should be determined and made provision accordingly .

9.06 LOANS TK. 75,00,000.00

As the above loan has been received from Al-Arafah Islami Bank Ltd. Nawabpur Branch Dhaka as Karza Hasana so re-imburement of the loan against lien of FDR will be fixed on installation of tolerance level. It may be mentioned that the aforementioned figure standed at the end of the year as on 31st December, 2009.

10. INVESTMENT AT COST TK. 3,17,46,075.00

Details are as follows:

- i) National Investment Bond
- ii) Shares
- iii) House Property

	Taka
	9,000,000.00
	16,571,075.00
	6,175,000.00
Total	31,746,075.00

10.01 National Investment Bond Tk. 90,00,000.00

The above amount lying with Bangladesh Bank as statutory deposit in 09nos. 3 years of Tk. 10.00 Lac each and the investment renewed from time to time.

10.02 Shares Tk.1,65,71,075.00

Name of the Company	No of Shares	Book Value	Market Value as on 31/12/2009
i) Apex Adelchi Footwear Ltd.	3,500	8,719,095.00	9,041,375.00
ii) IFIC Bank Ltd.	4,000	3,979,320.00	3,681,000.00
iii) Popular Life Insurance Co. Ltd.	20	50,392.00	54,955.00
iv) Grameen - 2	63,500	3,822,268.00	2,406,650.00
Total Taka		16,571,075.00	15,183,980.00

10.03 BUILDING PROPERTY TK. 61,75,000.00

This represents amount due to purchasing Building (floor space) measuring 2,680 sft. situated at 10th Floor of Redcrescent Bhaban, 61 Motijheel C/A, Dhaka-1000.

Notes to the Financial Accounts

For the year ended December 31, 2009

11. INTEREST DIVIDEND AND RENTS OUTSTANDING TK. 59,80,096.00

	2009	2008
Accrued Interest on National Investment Bond	1,211,250.00	446,250.00
Accrued Interest on FDR	4,768,846.00	6,023,454.00
Total Taka	5,980,096.00	6,469,704.00

The above amount represents interest earned but not received during the year.

12. AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS TK. 14,88,24,693.00

This represents amount due from Shadharan Bima Corporation on Re-Insurance accounts after adjustment of Public Sector Business and to other Insurance Companies on Co-Insurance scheme.

13. SUNDRY DEBTORS TK. 1,57,49,901.00

The following comprises the above amount:

	2009	2008
Deposit Clearing	14,547,782.00	24,711,305.00
Advance against Office Rent	637,816.00	665,752.00
Advance against Salary	34,000.00	170,003.00
Security Deposit	530,303.00	300,000.00
Business Expenses	---	7,960,671.00
Advance Commission	---	908,470
Total Taka	15,749,901.00	34,716,201.00

13.01. The deposit clearing represents the amount of premium having received by the Company within 31st March, 2009.

13.02 Regular adjustments have been made on advance against office rent.

13.03. SECURITY DEPOSIT TK. 5,30,303.00

This made up as follows:

	Taka
CDBL	3,000,000.00
Bangladesh Red Crescent Society	230,303.00
Total Taka	530,303.00

14. CASH & BANK BALANCES TK. 18,92,21,658.00

This is made up as follows:

	2009	2008
a) In hand:		
Cash	1,648,495.00	6,348,722.00
b) At Banks:		
Fixed Deposit Accounts	176,267,000.00	162,660,000.00
STD & CD Accounts	11,306,163.00	13,400,152.00
Sub Total (b)	187,573,163.00	182,408,874.00
Total Taka (a+b)	189,221,658.00	182,408,874.00

* We note that the above FDR has been verified physically found in order and all are correct.

15. FIXED ASSETS TK. 1,97,83,660.00

The above amount is as per Annexure A-1

Notes to the Financial Accounts

For the year ended December 31, 2009

16. DEFERRED IPO EXPENSES TK. 25,00,000.00

The amount has been arrived as under
 balance as on 31.12.2008
 Less: Last year written off
 Balance as on 01.01.2009
 Less: during the year written off
 Balance as on 31.12.2009

Taka	
	3,500,000.00
	500,000.00
	3,000,000.00
	500,000.00
	2,500,000.00

The balance amount shall be written off to the next year.

17. ADVANCE INCOME TAX TK. 3,54,63,058.00

The amount has been arrived as under

Particulars

Balance as on 01.01.2009
 Advance Tax paid during the year
 Deducted at source during the year

	2009	2008
	31,364,675.00	20,583,523.00
	2,000,000.00	7,690,117.00
	2,098,383.00	3,091,035.00
Total Taka	35,463,058.00	31,364,675.00

Balance as on 31.12.2009

17.01 The advance tax paid in different years falls adjustable with the assessed tax liabilities subject to disposal of tribunals and High Court.

17.02 An amount of Tk. 40,98,383.00 has been paid as advance tax during the year as shown below

AIT (Paid in direct & indirect)

Paid for Assessment year 2009-2010
 Paid for Assessment year 2010-2011
 Paid for Assessment year 2010-2011

	Taka	Taka
	1,000,000.00	
	500,000.00	
	500,000.00	
Sub - Total (a)		2,000,000.00
	1,544,705.00	
	8,293.00	
	23,700.00	
	10,080.00	
	511,605.00	
Sub - Total (b)		2,098,383.00
Grand Total (a+b)		4,098,383.00

18. INTEREST, RECEIVED & ACCRUED TK. 1,48,80,599.00

This is made up as follows

Interest on FDR
 Interest on STD
 Interest on NIB

	2009	2008
	13,820,063.00	20,512,190.00
	295,536.00	372,549.00
	765,000.00	765,000.00
Total Taka	14,880,599.00	21,649,739.00

Notes to the Financial Accounts

For the year ended December 31, 2009

19. OTHERS INCOME TK. 34,68,234.00

This is made up as follows

	2009 Taka	2008 Taka
Profit on Share Sale	3,382,642.00	3,750,571.00
Profit on Sale of Assets	55,354.00	120,595.00
Misc. Receipt	30,238.00	6,000.00
Total Taka	3,468,234.00	3,877,166.00

20. CLAIMS PAYMENT TK. 14,99,38,287.00

During the year, the company paid the following gross claims including Public sector Business

Class of Business	2009	2008
Fire Insurance Business	145,098,117.00	25,263,921.00
Marine Insurance Business	4,088,080.00	2,863,698.00
Motor Insurance Business	568,360.00	1,573,146.00
Miscellaneous Insurance Business	183,730.00	19,392,033.00
Total Taka	149,938,287.00	49,092,798.00

21. PREMIUM LESS RE-INSURANCE TK. 8,16,98,154.00

This is made up as under

Class of Business	Direct Business	S. B. C. (P. S. B.)	Total Business	Re-Insurance Ceded	Net Premium
Fire	52,698,398.00	2,522,393.00	55,220,791.00	40,258,548.00	14,962,243.00
Marine	46,995,331.00	10,109,028.00	57,104,359.00	22,747,152.00	34,357,207.00
Motor	7,532,847.00	883,236.00	8,416,083.00	240,000.00	8,176,083.00
Misc.	24,299,393.00	9,240,955.00	33,540,348.00	9,337,727.00	24,202,621.00
Total	131,525,969.00	22,755,612.00	154,281,581.00	72,583,427.00	81,698,154.00

22. SUBSEQUENT EVENT

There was no significant event that has occurred between the Balance sheet date and the date when the financial statement are authorised for issue by the Board of Directors.

23. GENERAL

- a) There was no Bank guarantee issued by the company on behalf of their directors.
- b) The Board of Directors received no remuneration from the Company other than fees for attending the Board meetings.
- c) No credit facilities as on 31st December 2009 availed by the company under any contract other than trade credit available in course of business.