

**Independent Auditor's Report and
Audited Financial Statements
of
Asia Insurance Limited
For the year ended 31 December 2020**

Independent Auditor's Report
TO THE SHAREHOLDERS OF ASIA INSURANCE LIMITED
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Asia Insurance Company Limited (the company), which comprise the Statement of Financial Position as at 31 December 2020, the profit or loss Account, Profit or Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

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

Emphasis of Matters

Without qualifying our opinion, we draw attention to the following matter:

1. As disclosed in note # 3 of the financial statements, where the company has presented its shareholding position, it is observed that 40% of the total issued share capital of the Company is subscribed by sponsor shareholders while the remaining 60% is subscribed by the general public. This is non-compliance of Schedule 1, Section 21 of the Insurance Act 1938 (as amended in 2010), where it is stated that at least 60% of the issued capital shall have to be subscribed by the sponsor shareholders.
2. As per section 232 & 234 of The Bangladesh Labor Act 2006 (amended in 2018), if the amount of paid-up capital on the last day of the accounting year is not less than BDT 1 crore and/or, the value of its permanent assets on the last day of the accounting year is not less than BDT 2 crore, a company has to establish a Worker's Profit Participation Fund (WPPF). Paid-up capital as on 31.12.2020 is BDT 470,698,580 and carrying amount of permanent assets as on 31 December 2020 is BDT 207,626,926.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We do not provide a separate opinion on these matters. In the Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report:

Risk	Our response to the risk
<p>Premium Income:</p> <p>Gross general insurance premium comprise the total premium received for the whole period of cover provided by contracts entered into during the accounting period.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of audit risk.</p> <p>At year end the 2020, the reported total gross Premium income of Tk. 702,133,218 (2019: Tk. 631,903,211).</p> <p>See note no # 31 to the financial statements.</p>	<p>With respect to premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> ▪ The design and operating effectiveness of key controls around premium income recognition process. ▪ Carried out analytical procedures and recalculated premium income for the period ▪ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. ▪ On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected the premium register. ▪ Ensured on a sample basis that the premium income was being deposited in the designated bank account. ▪ Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. ▪ For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re insurance premium was deducted from the gross premium. ▪ Applying specialist judgment ensured if there is any impairment of the reinsurer. ▪ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

Risk	Our response to the risk
<p><u>Right of Use of Asset, depreciation of right use of asset, Lease Obligation and Interest Expense:</u></p> <p>Right-of-Use Asset of Asia Insurance Limited is measured at cost of BDT 16,930,431.</p> <p>Depreciation was duly charged of the right of use assets amounting to BDT 3,386,086 Calculated from the date of initial application in accordance to IFRS 16.</p> <p>This was an area of focus for our audit and significant audit effort was directed.</p> <p>The Lease Obligation of the Asia Insurance Limited of BDT 8,406,413 of Office Space.</p> <p>Interest Expense of Lease Liability is BDT 1,048,151 for the current year.</p> <p>We focused on this area because of this year being the first year of application of IFRS 16-Leases. We also had to ensure that the required adjustments to be done in relation to the new standards and being compliant to the requirements of IFRS for required presentation and disclosures.</p> <p>See note no 8, 24 and 30.B and to the financial statements.</p>	<p>Our audit procedures included updating our understanding of the recognition of: a right-of-use asset and lease liability, interest expense (on the lease liability) & depreciation expense (on the right-of-use asset) as per the requirements of IFRS 16 adopted by ICAB.</p> <p>Additionally, we perform the following:</p> <ul style="list-style-type: none"> ▪ Obtained lease agreements from the company and through directional testing assessed the completeness of the report. ▪ Reviewed the Modified Retrospective Approach used for the valuation models for office rent space. ▪ Recalculated interest expense and lease liability at the year end. ▪ Carried out cut-off testing to ensure interest expense and lease liability was recognized in correct period. ▪ Check the subsequent positioning of this interest expense after the year end. ▪ Our audit approach was a combination of test of internal control and substantive procedures. ▪ We obtained sufficient audit evidence to conclude that the inputs and methodologies used for the valuation of the ROU and Lease Liability are within a reasonable range and that valuation policies were consistently applied by the management of the company. <p>Finally assessed the appropriateness and presentation of disclosures against IFRS 16 Leases.</p>

Risk	Our response to the risk
<p><u>Estimated Liability in respect of outstanding claims whether due or intimated and claim payment:</u></p> <p>This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company. At year end the 2020, the Company reported total balance under the head of estimated liability in respect of outstanding claims whether due or intimated and claim payment of BDT 121,337,196 (2019: BDT 48,721,396).</p> <p>See note no # 10 to the financial statements.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process.</p> <p>We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"> ▪ Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis. ▪ Obtained a sample of claimed policy copy and cross check it with claim. ▪ Obtained a sample of survey reports cross checked those against respective ledger balances and incase of discrepancy carried out further investigation. ▪ Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate. ▪ Reviewed the claim committee minutes about decision about impending claims. ▪ Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger. ▪ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

IT systems and controls	
Risk	Our response to the risk
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our area of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively.</p> <p>The Company's disclosures relating to its IT systems and controls are included in note #1.3.20 of the financial statements.</p>	<ul style="list-style-type: none"> • We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial reporting. • We tested IT general controls (logical access, changes management and aspects of IT operational controls) on a sample basis. This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Company's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. • Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.

Legal & Regulatory Matters	
Risk	Our response to the risk
<p>We focused on this area because the Company operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings.</p> <p>Significant Legal & Regulatory matters pertaining to the Company were:</p> <ul style="list-style-type: none"> • Compliance of rules & regulations, including submission of returns to various regulators; • Carrying out business activities in line with the prescribed rules & regulations; and • Safeguarding of adequate assets maintain adequate Balance of Fund. <p>The Company's disclosures relating to its Legal & Regulatory Matters are included in Note #1 of the financial statements.</p>	<ul style="list-style-type: none"> • We obtained an understanding, evaluated the design and tested the operational effectiveness of the key controls over the legal provision and contingencies process. • We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. • We enquired of the internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. • We reviewed the compliance reports submitted and tested the completeness and accuracy of the underlying information on test basis. Furthermore, we reviewed the correspondences between different regulators pertaining to the preparation of the financial statements of the Company.

Other Matter

There has been an outbreak of the global pandemic COVID-19 on 11 March 2020 which is a force majeure event, unique in nature and has divested the world and mankind. The surge of COVID-19 has negatively impacted almost all types of businesses across the world. Premium income was comparatively lower during the countrywide lockdown from March to May 2020 despite all branch offices and the businesses were run at that period. Overall premium income was increased in the last half of the year; as a result premium income was increased during the year. The company cut its management expenses during the year. Provision for diminution in value of investments has been decreased significantly due to the favourable impact on the Capital market trading during the last 2 quarters of the financial year 2020.

Other Information

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the

Aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether in a manner that achieves fair presentation.
- Taking into consideration the impact of the outbreak of the coronavirus pandemic (Covid-19) and suggesting to the company to make any required financial adjustments and any relative disclosures to consider the view on the possible impacts of covid-19.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

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

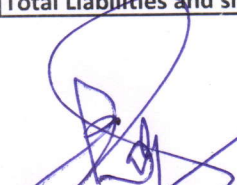
- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by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

Firm Name:	Syful Shamsul Alam & Co.
	Chartered Accountants
Firm Registration Number:	I/I/ICAB-2003(1)
Auditor Sign:	
Auditor Name:	Md. Syful Islam, FCA
Enrolment Number:	615
DVC:	2106200615AS933979
Date:	20 June, 2021

ASIA INSURANCE LIMITED
Statement of Financial Position (Balance Sheet)
As at 31 December 2020

Shareholders Equity & Liabilities	Notes	Amount (Taka)	
		December, 2020	December, 2019
Authorised Share Capital	2	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued, Subscribed and Paid up Capital	3	470,698,580	470,698,580
Share Premium	4	116,288,920	116,288,920
Reserve or Contingency Account		388,183,450	331,056,119
Reserve for Exceptional Losses	5	319,443,522	275,273,532
General Reserve	6	11,771,100	7,771,100
Profit or Loss Appropriation Account	7	56,968,828	48,011,487
Lease Liabilities	8	<u>8,406,413</u>	<u>-</u>
Balance of Fund & Account	9	178,900,516	164,398,700
Fire insurance business		54,592,316	47,363,327
Marine insurance business		72,021,314	78,436,572
Marine hull insurance business		3,700,926	1,537,777
Motor insurance business		20,408,805	17,156,808
Miscellaneous insurance business		28,177,155	19,904,216
Estimated liability in respect of outstanding claims whether due or intimated	10	121,337,196	48,721,396
Amount due to other persons or bodies carrying on insurance business	11	232,887,945	214,863,066
Deposit Premium	12	133,228,085	79,857,512
Provision for Taxation	13	327,469,726	287,472,024
Deferred Tax	14	3,766,999	3,072,237
Sundry Creditors	15	51,786,561	52,778,149
Total Liabilities and shareholder's equity		<u>2,032,954,390</u>	<u>1,769,206,702</u>

The annexed notes form an integral part of this financial statements.

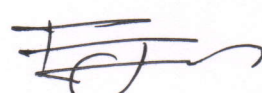

Md. Imam Shaheen
Chief Executive Officer


Tarik Sujat
Director


Yussuf Abdullah Harun FCA
Chairman


Md. Rafiqul Islam
Chief Financial Officer


Md. Atique Ullah Majumder
Company Secretary


Syful Shamsul Alam & Co.
Chartered Accountants

Date: June 01, 2021
Place: Dhaka

Firm Reg. No.: I/I/ICAB-2003(1)
Managing Partner: Md. Syful Islam, FCA
Enrolment No. 615
DVC Code: 2106200615A5933979

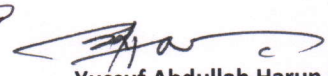
ASIA INSURANCE LIMITED
Statement of Financial Position (Balance Sheet)
As at 31 December 2020

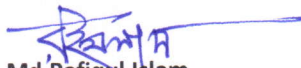
Property & Assets:	Notes	Amount (Taka)	
		December, 2020	December, 2019
Investment	16	210,723,002	165,028,937
Government Treasury Bond		25,000,000	25,000,000
Investment in Shares		185,723,002	140,028,937
Interest, Dividends & Rent Outstanding	17	24,571,806	30,492,725
Amount due from Others Persons or Bodies carrying on Insurance Business	18	212,305,031	209,359,869
Sundry Debtors	19	13,559,905	18,797,904
Advance, Deposit and Prepayments	20	360,823,554	313,544,373
Security Deposit	21	794,715	758,714
Fixed Deposit Account	22	870,859,201	789,771,363
Cash on Hand and with Banks	23	130,987,311	39,042,678
Others Account			
Property of Plant and Equipment (At Cost Less Depreciation)	24	207,626,926	201,783,547
Stock of Printing and Stationery	25	702,940	626,592
Total Properties and Assets		2,032,954,390	1,769,206,702
Net Assets Value per Share.	(Taka)	24.52	23.00


The annexed notes form an integral part of this financial statements.

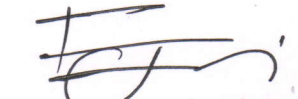

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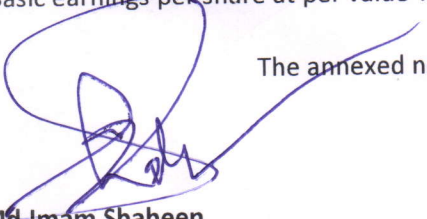
Firm Reg. No.: I/I/ICAB-2003(1)
Managing Partner: Md. Syful Islam, FCA
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DVC Code: 2106200615AS933979

ASIA INSURANCE LIMITED
Profit or Loss Appropriation Account
For the year ended 31 December 2020

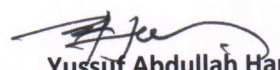
Particulars	Notes	December.2020	December.2019
		Amount (Taka)	Amount (Taka)
Balance brought forward from last year		48,011,487	47,832,114
Net Profit for the year ended (Transferred from profit or loss account)		151,048,898	105,235,339
Total		199,060,385	153,067,453
Reserve for Exceptional Losses	5	44,169,990	25,000,000
Provision for General Reserve	6	4,000,000	1,000,000
Provision for Taxation	39	39,997,702	29,270,088
Provision for Deferred Tax	14	694,762	425,677
Reserve for Gratuity		6,159,245	2,290,343
Dividend Paid Cash -2019 @10%		47,069,858	47,069,858
Balance Transferred to Balance Sheet		56,968,828	48,011,487
Total		199,060,385	153,067,453

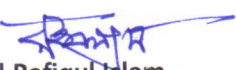
Earnings per Share 36 2.34 1.60
(Basic earnings per share at per value Tk.10 each)

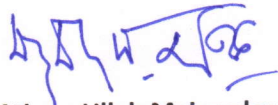
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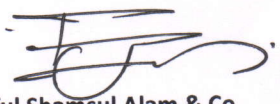

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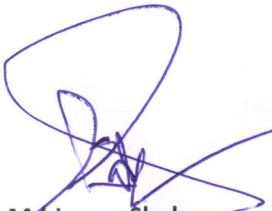

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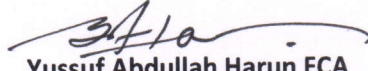
ASIA INSURANCE LIMITED
Statement of Profit or Loss & Other Comprehensive Income Account
For the year ended 31 December 2020

Particulars	Notes	December.2020	December.2019
		Amount (Taka)	Amount (Taka)
Interest & dividends :			
(Not Applicable to any particular fund or Account)			
Interest, dividend and rents	26	74,680,661	65,932,734
Non-Operative Income	27	2,181,217	2,067,059
Discount on Govt Treasury Bond	28	-	141,502
		85,401,701	76,734,993
Profit or (Loss) transferred from			
Fire Revenue Account		(7,053,636)	(42,050,317)
Marine Revenue Account		40,930,713	70,453,824
Marine Hull Revenue Account		(1,233,766)	(848,366)
Motor Revenue Account		23,632,029	17,083,066
Miscellaneous Revenue Account		29,126,361	32,096,787
Total	30B	162,263,579	144,876,289
Expenses of Management			
(Not Applicable to any particular fund or Account)			
		9,288,777	7,015,609
Advertisement & Promotional Expenses		972,946	1,927,321
AGM & Conference Expenses		367,500	618,107
Audit Fee		270,250	287,500
Commission on Govt Treasury Bond		-	100,960
Legal & Professional Fees		669,000	138,000
Directors Fees		499,200	898,800
Lease Finance Cost		2,508,845	37,787
Donation & Subscription		878,086	410,000
Levy on Premium Income		100,000	100,000
Fees & Charges		1,109,701	890,320
UMP Expenses		296,986	-
Registration Renewal Fee		1,616,263	1,606,814
Depreciation	24.01	26,157,374	16,874,069
Performance Bonus		3,500,000	3,000,000
Provision for diminution value of share	16.4	(27,731,470)	12,751,273
Profit for the year transferred to Profit or Loss appropriation account		151,048,898	105,235,339
Total		162,263,579	144,876,289

The annexed notes form an integral part of this financial statements.

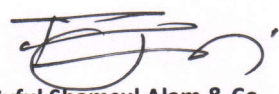

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Enrolment No. 615
DVC Code: 2106200615A5933979

Date: June 01, 2021
Place: Dhaka

ASIA INSURANCE LIMITED

Consolidated Revenue Account

For the year ended 31 December 2020

Particulars	Notes	Amount (Taka)		Particulars	Notes	Amount (Taka)	
		December, 2020	December, 2019			December, 2020	December, 2019
Claim under policies less re-insurance		171,158,864	139,226,214	Balance of fund account at the beginning of the year		164,398,700	169,256,193
Paid during the year		98,543,063	120,494,694	Premium less re-insurance	31	441,699,901	408,690,083
Total estimated liability in respect of outstanding claim at the end of the half year whether due or intimated		121,337,196	48,721,397	Commission on re-insurance ceded	32	67,736,182	50,850,590
Less: Outstanding at the beginning of the year		48,721,396	29,989,877	Profit Commission	33	1,088,903	558,134
Agency Commission	29	93,872,241	98,321,911				
Expenses of Management	30	145,146,871	150,262,864				
Insurance Stamp Consumption		443,493	410,318				
Balance of fund account at the end of the year as shown in the balance sheet (Reserve for un-expired risk for the year)		178,900,516	164,398,699				
Profit/(Loss) Transferred to Profit or Loss Account		85,401,701	76,734,993				
Fire Revenue Account		(7,053,636)	(42,050,317)				
Marine Revenue Account		40,930,713	70,453,824				
Marine Hull Revenue Account		(1,233,766)	(848,366)				
Motor Revenue Account		23,632,029	17,083,066				
Miscellaneous Revenue Account		29,126,361	32,096,787				
Total		674,923,686	629,354,999			674,923,686	629,354,999

The annexed notes form an integral part of this financial statements.

Md. Imam Shaheen
Chief Executive Officer

Md. Rafiqul Islam
Chief Financial Officer

Tarik Sujat
Director

Md. Atique Ullah Majumder
Company Secretary

Yussuf Abdullah Harun FCA
Chairman

Syful Shamsul Alam & Co.
Chartered Accountants

Firm Reg. No.: 1/1/ICAB-2003(1)
Managing Partner: Md. Syful Islam, FCA
Enrolment No. 615
DVC Code: 2106200615AS933979

Date: June 01, 2021
Place: Dhaka

ASIA INSURANCE LIMITED
Fire Insurance Revenue Account
For the year ended 31 December 2020

Particulars	Notes	Amount (Taka)	
		December, 2020	December, 2019

Claim under policies less re-insurance

82,470,838 **106,110,891**

Balance of fund account at the beginning of the year

47,363,327 **58,682,126**

Paid during the year

18,450,249

75,854,069

Premium less re-insurance

31 **136,480,789** **118,408,318**

Total estimated liability in respect of outstanding claim at the end of the year whether due or intimated

106,246,564

42,225,975

Commission on re-insurance ceded

32 **50,014,844** **33,914,783**

Less: Outstanding at the beginning of the year

42,225,975

11,969,153

Profit Commission

33 **661,793** **-**

Agency Commission

29 **39,162,226**

38,454,283

Expenses of Management

30 **65,055,344**

60,851,888

Insurance Stamp Consumption

293,666

275,154

Balance of fund account at the end of the year as shown in the balance sheet (Reserve for unexpired risk @ 40% of premium income of the year).

54,592,316

47,363,327

Profit/(Loss) Transferred to Profit or Loss Account

(7,053,636)

(42,050,317)

Total **234,520,753** **211,005,226**

The annexed notes form an integral part of this financial statements.

Md. Imam Shahen
Chief Executive Officer

Tarik Sujat
Director

Md. Rafiqul Islam
Chief Financial Officer

Md. Atique Ullah Majumder
Company Secretary

Date: June 01, 2021
Place: Dhaka

Yussuf Abdullah Harun FCA
Chairman

Syful Shamsul Alam & Co.
Chartered Accountants
Firm Reg. No.: I/I/ICAB-2003(1)
Managing Partner: Md. Syful Islam, FCA
Enrolment No. 615
DVC Code: 2106200615AS933979

ASIA INSURANCE LIMITED
Marine Cargo Insurance Revenue Account

For the year ended 31 December 2020

Particulars	Notes	Amount (Taka)		Particulars	Notes	Amount (Taka)	
		December, 2020	December, 2019			December, 2020	December, 2019

Claim under policies less re-insurance

75,510,619

24,414,013

78,436,572

67,706,795

Paid during the year

75,081,446

24,436,209

Balance of fund account at the beginning of the year

Total estimated liability in respect of outstanding claim at the end of the half year whether due or intimated

5,892,417

5,463,245

Premium less re-insurance

31

180,053,285

196,091,428

Less: Outstanding at the beginning of the year

5,463,245

5,485,441

Commission on re-insurance ceded

32

11,787,267

8,787,251

Agent Commission

29

35,744,614

44,621,077

Profit Commission

33

-

-

Expenses of Management

30

46,069,865

54,659,988

Insurance Stamp Consumption

72,021,314

78,436,571

Balance of fund account at the end of the year as shown in the balance sheet (Reserve for unexpired risk @40% on Marine Cargo hull of the year).

Profit/(Loss) Transferred to Profit or Loss Account

40,930,713

70,453,824

Total 270,277,124 272,585,474

The annexed notes form an integral part of this financial statements.

Md. Imam Shateen
Chief Executive Officer

Tarik Sujat
Director

Md. Rafiqul Islam
Chief Financial Officer

Md. Atique Ullah Majumder
Company Secretary

Yussuf Abdullah Harun FCA
Chairman

Syful Shamsul Alam & Co.
Chartered Accountants

Date: June 01, 2021
Place: Dhaka

Firm Reg. No.: I/I/ICAB-2003(1)
Managing Partner: Md. Syful Islam, FCA
Enrolment No. 615
DVC Code: 2106200615AS933979

Particulars	Notes	Amount (Taka)		Particulars	Notes	Amount (Taka)	
		December, 2020	December, 2019			December, 2020	December, 2019

(6) Balance of fund account at the

10,990,919	-	10,990,925
------------	---	------------

Balance of fund account at the beginning of the year

Premium less re-insurance

Commission on re-insurance ceded

1,537,777	602,026
31	3,700,926
32	1,324,432
	1,309,665

1,427,168	641,767
2,695,331	2,146,722
-	-
3,700,926	1,537,777
(1,233,766)	(848,366)

Profit Commission	33	26,524	28,427
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Total	6,589,659	3,477,894
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Tarik Sujat
Director

Md. Atique Ullah Majumder
Company Secretary

Firm Reg. No.: 1/1/ICAB-2003(1)
Managing Partner: Md.Syful Islam, FCA
Enrolment No. 615
DVC Code: 2106200615A59333979

ASIA INSURANCE LIMITED
Motor Insurance Revenue Account
For the year ended 31 December 2020

Particulars	Notes	Amount (Taka)		Particulars	Notes	Amount (Taka)	
		December, 2020	December, 2019			December, 2020	December, 2019

Claim under policies less re-insurance

6,782,877 8,492,724

Balance of fund account at the beginning of the year

17,156,808 16,922,334

Paid during the year

4,632,554 8,904,906

Total estimated liability in respect of outstanding claim at the end of the year whether due or intimated

3,182,499 1,032,176

Premium less re-insurance

31 51,022,012 42,892,020

Less: Outstanding at the beginning of the year

1,032,176 1,444,358

Commission on re-insurance ceded

32 1,032,274 912,544

Agent Commission

29 7,057,101 6,920,519

Expenses of Management

30 11,223,826 10,973,208

Insurance Stamp Consumption

106,455 100,573

Balance of fund account at the end of the year as shown in the balance sheet (Reserve for unexpired risk @ 40% of premium income of the year).

20,408,805 17,156,808

Profit/(Loss) Transferred to Profit or Loss Account

23,632,029 17,083,066

Total 69,211,094 60,726,898

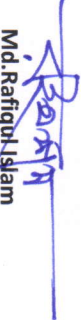
The annexed notes form an integral part of this financial statements.


Total 69,211,094 60,726,898


Md. Imam Shateen
Chief Executive Officer


Tarik Sujat
Director


Yussuf Abdullah Hārūn FCA
Chairman


Md. Rafiqul Islam
Chief Financial Officer


Md. Atique Ullah Majumder
Company Secretary


Syful Shamsul Alam & Co.
Chartered Accountants

Date: June 01, 2021
Place: Dhaka

Firm Reg. No.: I/I/ICAB-2003(1)
Managing Partner: Md. Syful Islam, FCA
Enrolment No. 615
DVC Code: 2106200615AS933979

ASIA INSURANCE LIMITED

Miscellaneous Insurance Revenue Account

For the year ended 31 December 2020

Particulars	Notes	Amount (Taka)		Particulars	Notes	Amount (Taka)	
		December, 2020	December, 2019			December, 2020	December, 2019

Claim under policies less re-insurance

6,394,530

208,591

Balance of account at the beginning of the year

19,904,216

25,342,912

Paid during the year

378,814

308,591

Premium less re-insurance

31

70,442,888

49,760,540

Total estimated liability in respect of outstanding claim at the end of the year whether due or intimated

6,015,716

-

Commission on re-insurance ceded

32

3,577,365

5,926,348

Less: Outstanding at the beginning of the year

-

100,000

Profit Commission

33

400,586

529,707

Agent Commission

29

10,481,132

7,684,265

Expenses of Management

30

20,102,505

21,631,057

Insurance Stamp Consumption

43,372

Balance of fund account at the end of the year as shown in the balance sheet (Reserve for unexpired risk @ 40% of premium income of the year).

28,177,155

19,904,216

Profit/(Loss) Transferred to Profit or Loss Account

29,126,361

32,096,787

Total

94,325,055

81,559,507

The annexed notes form an integral part of this financial statements.

Total

94,325,055

81,559,507

Md. Imam Shateen
Chief Executive Officer

Tarik Sujat
Director

Yussuf Abdullah Harun FCA
Chairman

Md. Rafiqul Islam
Chief Financial Officer

Md. Atique Ullah Majumder
Company Secretary

Syful Shamsul Alam & Co.
Chartered Accountants

Date: June 01, 2021
Place: Dhaka

Firm Reg. No.: I/I/ICAB-2003(1)
Managing Partner: Md. Syful Islam, FCA
Enrolment No. 615
DVC Code: 2106200615AS933979

ASIA INSURANCE LIMITED
Cash Flows Statement

For the year ended 31 December 2020

Jan. to Dec. 2020	Amount (Taka.)
Jan. to Dec. 2019	Amount (Taka.)

282,151,741	127,360,316
754,258,148	625,427,010
677,587,687	570,577,072
76,670,461	54,849,938

472,106,407	498,066,694
160,265,207	148,518,325
158,463,983	201,299,270
93,872,241	98,321,911
59,504,976	49,927,188

(155,406,896)	(108,342,953)
(47,398,477)	(31,465,615)
(81,087,838)	(102,706,150)
(45,365,706)	(6,996,175)
27,403,111	32,120,904
6,112,335	4,675,226
-	828,527
(15,070,321)	(4,799,670)

(34,800,212)	(8,480,939)
(49,073,426)	(47,069,858)
-	(11,036,461)
(4,366,657)	(11,172,943)
18,639,871	61,551,183
-	(752,860)
91,944,633	10,536,424
39,042,678	28,506,255
130,987,311	39,042,678

A Cash flows from operating activities

Total Collection of Fund
Collection from Premium Income
Interest & Others Income

Less :

Payment for cost and expenses
Management Expenses
Claim Payment
Agent Commission
Re-insurance Payment

B. Cash flows from investing activities

Advance Payments
Fixed Deposit Account
Investment in Shares
Sale Proceed of Share
Dividend Income
Disposal of Property of Plant & Equipment
Acquisition of Fixed Assets

C. Cash flows from financial activities

Dividend Paid-2019

Payments of Liability of Dividend

Sundry Creditors Payment

Sundry Debtors Realised

Lease Payment

D. Cash and cash equivalents (A+B+C)

Opening cash and cash equivalents

F. Closing cash and cash equivalents

Net Operating Cash Flows Per Share (NOCFS)

5.99

2.71

Md. Imam Shaheen
Chief Executive Officer

Md. Rafiqul Islam
Chief Financial Officer

Date: June 01, 2021

Place: Dhaka

Tarik Sujat
Director

Yussuf Abdullah Harun FCA
Chairman

Md. Atique Ullah Majumder
Company Secretary



Asia Insurance Limited
Cash Flows Statement Indirect Method
For the year ended 31 December 2020

Particulars	Amount December, 2020	Amount December, 2019
A. Cash Flows from Operating Activities:	Taka	Taka
Net Profit	151,048,898	105,235,339
Income from Dividend on Investment	(6,112,335)	(4,675,226)
Liability Dividend Paid	2,003,568	11,036,461
Provision for Gratuity	(6,159,245)	(2,290,343)
Depreciation	26,157,374	16,874,069
Interest on Income Tax payment	83,296	-
Sundry Creditors Payment	4,366,657	-
Sundry Debtors realised	(18,639,871)	-
Wright of Use (Office Rent)	(16,930,431)	-
Provision for Fair Value of Share	(27,731,470)	12,751,273
(Increase)/Decrease of Sundry Debtors	5,237,999	(18,787,975)
(Increase)/Decrease of Amount due from others persons or	(2,945,162)	(94,044,786)
Bodies carrying on Insurance business	18,024,879	64,253,549
Increase/(Decrease) of Amount due to other persons or	72,615,800	18,731,519
Bodies carrying on Insurance business	53,370,573	29,934,813
Increase/(Decrease) of Deposit Premium	8,406,413	393,301
Increase/(Decrease) of Lease Liabilities	(991,587)	(4,857,494)
Balance of Fund Account	14,501,816	134,478
Decrease of Printing and Stationery in hand	(76,348)	(7,328,663)
Increase of Interest, Dividends & Rent Outstanding	5,920,918	127,360,316
Net Cash Flows from Operating Activities	282,151,742	127,360,316

B. Cash Flows from Investing Activities:	(155,406,896)	(108,342,953)
Income from Dividend on Investment	6,112,335	4,675,226
Acquisition of Fixed Assets	(15,070,321)	(4,799,670)
Advance payment	(47,279,181)	(31,465,615)
Security Deposit	(36,000)	-
Interest on Income Tax payment	(83,296)	828,528
Disposal of Fixed Assets	-	(102,706,150)
Increase of Fixed Deposit Account	(81,087,838)	(6,996,175)
Purchases of Share	(45,365,706)	32,120,903
Decrease of Share Investment	27,403,111	(108,342,953)
Net Cash Flows from Investing Activities	(155,406,896)	(108,342,953)

Cash Flows from Financing Activities:	(47,069,858)	(47,069,858)
Dividend Paid	(47,069,858)	(47,069,858)
Payments of Liability of Dividend	(2,003,568)	(11,036,461)
Sundry Creditors Payment	(4,366,657)	(11,172,943)
Sundry Debtors realised	18,639,871	61,551,183
Lease payment	-	(752,860)
C. Net Cash Flows from Financing Activities	(34,800,212)	(8,480,939)
Net increase in Cash and Bank balance : (A+B+C)	91,944,634	10,536,424


Cash and Bank balance at beginning of the year January 01. 39,042,678
Cash and Bank balance at the end of the year December 31. 130,987,311
28,506,255
39,042,678



ASIA INSURANCE LIMITED
Statement of Changes in Shareholders Equity
For the year ended 31 December 2020


Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Retained Earnings Account	Total
Balance at 1st January 2020	470,698,580	116,288,920	275,273,532	7,771,100	48,011,487	918,043,619
Net Profit-during the year	-	-	-	-	151,048,898	151,048,898
Dividend Paid -2019	-	-	-	-	(47,069,858)	(47,069,858)
Reserve & Provision	-	-	44,169,990	4,000,000	(48,169,990)	-
Provision for Gratuity	-	-	-	-	(6,159,245)	(6,159,245)
Provision for Deferred Tax	-	-	-	-	(694,762)	(694,762)
Provision for Taxation	-	-	-	-	(39,997,701)	(39,997,701)
Balance at 31 December 2020	470,698,580	116,288,920	319,443,522	11,771,100	56,968,829	975,170,951


Balance at 31 December 2019	470,698,580	116,288,920	275,273,532	7,771,100	48,011,487	918,043,619
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Md. Imam Shaheen
Chief Executive Officer


Tarik Sujat
Director


Yussuf Abdullah Hafun
Chairman


Md. Rafiqul Islam
Chief Financial Officer


Md. Atique Ullah Majumder
Company Secretary


Syful Shamsul Alam & Co.
Chartered Accountants

Date: June 01, 2021
Place: Dhaka

Firm Reg. No.: I/I/ICAB-2003(1)
Managing Partner: Md. Syful Islam, FCA
Enrolment No. 615
DVC: 2106200615AS933979

1. SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATERIAL INFORMATION:

1.1 Status of the Reporting Entity:

1.1.1 Legal Status:

The Asia Insurance Limited was incorporated as a Public Limited Company in Bangladesh on April 30, 2000 under the Companies Act, 1994. The Company, within the stipulated lay down by Insurance Act 2010 and directives as received from Insurance Development & Regulatory Authority (IDRA) time to time, provides Non-Life Insurance Business. The Company is listed with Dhaka Stock Exchange and Chittagong Stock Exchange as Publicly Traded Company. The Corporate Head Quarter of the Company is located at Rupayan Trade Center (14th floor), 114-115 Kazi Nazrul Islam Avenue, Bangla Motor Dhaka-1000 and carried its Insurance activities through twenty two (22) branches throughout the country.

1.1.2 Nature of business:

The principal activity of the Company continued to be carrying on Insurance Business. There were no significant changes in the nature of the principal activities of the Company during the year 2020 under review.

1.2 Basis of Preparation:

1.2.1 Statement of Compliance:

As per the requirements of IAS 1: "Presentation of Financial Statements" the Financial Statements have been prepared on the basis of going-concern concept under generally accepted accounting principles according to the historical cost convention. Requirements as to disclosure of financial information warranted by the Insurance Act 2010 have been adhered to in presenting financial statements. Such financial statements comprises the Balance Sheet, Profit or Loss Account 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 1938 as amended 2010 in compliance with the Companies Act, 1994.

In addition, the Securities and Exchange rules, 1987 (as amended in 1997) requires the production of Statement of Cash Flow and Statement of Changes in Shareholders' Equity as a part of the Annual Report. The Bangladesh Securities and Exchange Commission (BSEC) of Bangladesh regulates financial reporting practices of listed Companies. Listed Companies are required to comply with BSEC's accounting and disclosure requirements. The Rules 1987 as amended in 1997, requires listed Companies to follow International Accounting Standards (IAS) International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

1.2.2 Public Sector Business:

As per Government decision with effective from 1st April 1990, all the Public Sector Insurance Business is being underwritten jointly by Sadharan Bima Corporation and 45 other private sector Insurance Companies on Co-insurance basis. Out of total general insurance business, 50% being underwritten by Sadharan Bima Corporation and the balance are shared equally by 43 private sector Insurance Companies in the year 2013 and 45 Private Insurance Companies in the year 2020. The Company's share of Public Sector Business is accounted for in the year in which the complete statement of account from Sadharan Bima Corporation is received. As such the Company's share of public sector insurance business has been considered and accounted for on the basis of certified statement received from Sadharan Bima Corporation for the year 2019-2020.



ASIA INSURANCE LIMITED
Notes to the Financial Statements
For the year ended 31 December 2020

1.2.3 Underwriting Business: Gross underwriting business as well as re-insurance thereof and claim settled etc. have been recorded separate for each class of business and net underwriting results have been reflected in the revenue accounts after due consideration of re-insurance ceded.

1.2.4 Functional and presentational currency and level of precision: The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the Company's functional currency. All financial information presented has been rounded off to the nearest Taka except where indicated otherwise.

1.2.5 Reporting period: The financial period of the Company covers one year from 1st January to 31st December and followed consistently.

1.2.6 Components of the Financial Statements: Following the International Accounting Standard (IAS) 1 "Presentation of Financial Statements", Insurance Act 2010 and Insurance Rules 1958 the companies complete set of financial statements includes the following components:

- i) Statement of Financial Position (Balance Sheet);
- ii) Profit or Loss Appropriation Account;
- iii) Statement of Profit or Loss and Other Comprehensive Income;
- iv) Consolidated & Separate Revenue Account (Class Wise);
- v) Statement of Changes in Shareholder's Equity;
- vi) Statement of Cash Flows and
- vii) Notes to the Financial Statements.

1.2.7 Going Concern: The Company has adequate resources to continue its operation for the foreseeable future. For this reason, the directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the Company provides sufficient fund to meet the present requirements of its existing business.

1.2.8 Date of Authorization: This financial statement has been authorized for by the Board of Directors of Asia Insurance Limited on June 01, 2021.

1.2.9 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 that are different from those of other business segments. The Company accounts for segment reporting of operating results using the classes of business. The performance of segments is evaluated on the basis of underwriting results of each segment. The Company has five primary business segments for reporting purposes namely Fire, Marine, Marine-Hull, Motor and Miscellaneous.



1.2.10 Branch Accounting:

Asia Insurance Limited now has 22 (Twenty Two) branches with no overseas branch as of December 31, 2020. Accounts of the branches are maintained at the Head Office from which these accounts drawn up.

1.3 Principal Accounting Policies:

The accounting policies set out below have been applied in preparations of these financial statements and followed consistently.

1.3.1 Property, Plant and Equipment:

Owned Assets:

Items of own property and equipment's are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and directly attributable cost bringing the assets to its working condition for its intended use as per International Accounting Standard (IAS-16) "Property, Plant and Equipment's" in Note- 24.

Leasehold Assets:

Leasehold assets of which the Company assumes substantially all the risk and rewards of ownership are accounted for as finance leases and capitalized at the inception of the lease at fair value of lease property or at the present value of minimum lease payments, whichever is lower as per International Accounting Standard (IFRS-16). The corresponding obligation under the lease is accounted for as liability.

Lease liability, Right-of-use-asset, Depreciation of Right-of-use-asset

This is the first year of the application of IFRS-16 as adopted by ICAB. An entity can be a first-time adopter if, in the preceding year, its financial statements: [IFRS 1.3] asserted compliance with some but not all IFRS or included only a reconciliation of selected figures from previous GAAP of IFRS. Lease liability has been recognized from 1st January 2020 as per Para 8C (a) which states, "The lessee shall measure that lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate." And Right-of-use-asset has been recognized from 1st January 2020 as per Para 8C (a).

1.3.1.1 Recognition and Measurement:

Property, plant and equipment including Building (Office Space) are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable inward freight, duties and non-refundable taxes. The Company recognizes 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 within the item will flow to the entity and the cost of the item can be measured reliably. All other costs are recognized in the income statement as an expense as incurred.



1.3.1.2 Disposal of Fixed Assets:

On disposal of fixed assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sales proceeds.

1.3.1.3 Depreciation on Fixed Assets:

Depreciation is recognized in Profit or Loss Account on diminishing balance method. Depreciation on Fixed Assets has been charged from the time of available for use of asset and date of disposal during the year.

Rates of depreciation on various classes of fixed assets are as under:

Category	Rate
Vehicle	20%
Office Decoration	10%
Telephone Installation & PABX System	20%
Furniture & Fixture	10%
Computer, Printer, Fax and Copier	30%
Office Equipment	10%
Crockeries	25%
Air Condition	10%
Building (Office Space)	10%
Software installation	10%

1.3.1.4 Impairment of Assets:

In accordance with IAS 36: "Impairment of assets", The carrying amount of the Company's non-financial asset 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 recognized if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in Profit and Loss Account. Considering the present condition of the assets, management concludes that there is no such indication exists.

1.3.1.5 Investments (Financial Assets)

Financial assets under a Hold to collect business model, with contractual cash flows that are solely payments of principal and interest (SPLI) are classified and measured at amortized cost. Financial assets under a Hold to Collect and Sell business model, with contractual cash flows that are SPLI, are classified and measured at fair value through other comprehensive income (FVOCI). Financial assets that have contractual cash flows that are not SPLI, are designated as trading or do not fit the business model criteria for hold to collect and hold to collect and sell share measured at fair value through profit and loss (FVTPL). Equity instruments are always measured at FVTPL unless an irrevocable option is elected at initial recognition to present fair value changes in OCI. Fair value changes recorded in OCI for equity instruments are not recycled to profit and loss.

Increase or decreases in the value of investment are recognized in the financial statements as per IFRS- 9 "Financial Instruments". Investments are recognized as cost value. The shortfall between the market and cost price are being recouped through making provision gradually in Note- 16.4



At fair value through Profit or Loss Account:

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the bank manages such investment and makes purchase or sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transactions costs are recognized in profit and loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein which take into account and dividend income are recognized in profit or loss.

At fair value through other comprehensive income:

The asset is measured at fair value and changes in value are transferred through other comprehensive income.

Derivative:

According to IFRS 7: "Financial Instruments: Disclosures", the company was not a party to any derivative contract (financial instruments) at the Balance Sheet date, such as forward exchange contracts, currency swap agreement or contract to hedge currency exposure related to import of capital machinery to be leased to lessees in future.

Non-Derivative:

Non-derivative financial instruments comprise accounts and other receivable, borrowings and other payables and are shown at transaction cost as per IAS 39 "Financial Instruments: Recognition and Measurement".

1.3.2 Advance, Deposits and Prepayments:

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads such as prepayment expenses or inventory etc. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to Profit or Loss & Other comprehensive Income Account in Note- 20.

1.3.3 Cash and Cash Equivalents:

Cash On Hand and Cash with Banks have been considered as the Cash and Cash equivalents IAS-7 for preparation of these financial statements as there was insignificant risk of changes in value of these current assets in Note- 23.

1.3.4 Reserve for Contingencies:

Reserve for Exceptional Losses

As per Para 6 of the 4th schedule, to meet the exceptional losses, Company sets aside ten (10%) percent of the premium income of the year in which it is set aside from the balance of the Profit to the Reserve for Exceptional Losses in Note- 05.



ASIA INSURANCE LIMITED
Notes to the Financial Statements
For the year ended 31 December 2020

1.3.5 Lease Liability:

The leased liability is considered as a Finance Lease as per IFRS-16. As such, the interest expense on Lease liability is charged to the Profit or Loss and Other Comprehensive Income under finance cost in Note- 08. The initial application of IFRS-16 made the following changes:

A) Statement of Financial Position:

Additions were made in the name of Right-of-use-asset (ROU) which have included in Property, Plant Equipment, and the amount of ROU was measured at total NPV of total rent by taking the incremental borrowing rate from the date from 1st January 2020. Carrying value of Right-of-use-asset at the end of the reporting period classified by office rent is shown in Note - 8 & 24.

Lease liabilities presented separately under the name of Non-current lease obligation and current lease obligation.

B) Statement of Profit or Loss Accounts:

Depreciation of Right-of-use-assets (ROU) were calculated as per company policy, in straight line method divided by its remaining useful life (Note- 24)

Interest expense on lease liabilities were calculated by taking the Incremental borrowing rate 9% (Note- 30 B)

C) Statement of Cash Flows:

Cash payments for the principal portion of the lease liabilities as cash flow from financing activities, Cash payments for the interest portion consistent with presentation of interest payments chosen by the group, Variable lease payments that is not included in the measurement of the lease liabilities as cash flows from operating activities.

1.3.6 Balance of Fund and Accounts:

These have been arrived at after making provision for un-expired risks @ 40% of net premium income on all business except Marine Hull Insurance where provision has been made @ 100% on net premium income in Note- 09.

1.3.7 Loans and Borrowing:

Principal amounts of loans and borrowings are stated at their outstanding amount. Borrowings repayable after twelve months from the reporting date are classified as non-current liabilities whereas the portion payable within twelve months, unpaid interest and other charges are classified as current liabilities

1.3.8 Estimated Liability in respect of outstanding claim-(No Claims):

An amount of Tk. 10,450.00 (Taka, Ten thousand four hundred and fifty)only No-claims which is adjusted during the year from Estimated Liability in respect of outstanding claim in the Statement of Financial Position as at 31 December 2020 in Note- 10.

1.3.9 Provision for Liabilities:

According to IAS 37: "Provision, Contingent Liabilities and Contingent Assets" the Company recognizes 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 in Note- 06,14 and 39.



ASIA INSURANCE LIMITED
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1.3.10 Provision for Taxation:

IAS 12: "Income Taxes" and Income Tax Ordinance 1984 have been used for the calculation of deferred tax and current tax expense respectively. Provision for income tax represents the sum of the current tax expense and deferred tax expenses in Note- 13.

A. Current Tax Expenses:

The Companies Income tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense 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 that have been enacted or substantively enacted on the balance sheet date in Note- 39.

B. Deferred Tax:

Deferred tax is recognized 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 recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilized. Deferred tax has been calculated and charged or credited to profit or loss appropriation account in Note- 14.

1.3.11 Revenue Recognition:

The revenue is recognized after satisfying all the conditions for revenue recognition as provided in IFRS 15 'Revenue from Contracts with Customers' in compliance with IFRS 4 "Insurance Contract". As per the Paragraph **C8 of IFRS 15 "Revenue from Contracts with Customers"** For reporting periods that include the date of initial application, an entity shall provide both of the

Following additional disclosures if this standard is applied retrospectively in accordance with paragraph C-3(b)

(a) The amount by which each financial statement line item is affected in the current reporting period by the application of this standard as compared to IAS 11, IAS 18 and related interpretations that were in effect before the change; and

(b) An explanation of the reasons for significant changes identified in C-8(A).

As per the Paragraph **C-8A of IFRS 15 "Revenue from Contracts with Customers"** An entity shall apply Clarification to IFRS 15 (see paragraph C1B) retrospectively in accordance with IAS 8. In applying the amendments retrospectively, an entity shall apply the amendments as if they had been included in IFRS 15 at the date of initial application. Consequently, an entity does not apply the amendments to reporting periods or to contracts to which the requirements of IFRS 15 are not applied in accordance with paragraphs C2-C8. For example, if an entity applies IFRS 15 in accordance with paragraph C3(b) only to contracts that are not completed contracts at the date of initial application, the entity does not restate the completed contracts at the date of initial application of IFRS 15 for the effects of these amendments. Detailed income wise policy for revenue recognition is given as under:



ASIA INSURANCE LIMITED
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A. Premium Income:

The income from premium is comprised of the total amount of premium earned on various classes of insurance business during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Private and Public Sector, the amount of re-insurance commission earned and the amount of claims less re-insurance settled during the year have all been duly accounted for in the books of account of the Company. While preparing the final statement of accounts, the effect of re-insurance accepted and re-insurance ceded as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the year, whether due or intimated have also been duly reflected in order to arrive at the net underwriting profit for the year.

Premium is recognized when insurance policies are issued, but the premium of the company's share of public sector insurance business (PSB) is accounted for in the year in which the statements of account from Sadharan Bima Corporation are received. Up to 31st December, 2020 statements of account for the period 1st July, 2019 to 30th June, 2020 have been received and, accordingly, the company's share of PSB for that period has been recognized in this financial statements in Note-31.

B. Investment Income;

Interest income on investments is recognized on accrual basis using effective interest rate as per IFRS-15 'Revenue from Contracts with Customers'. Portfolio gain on investments in shares is recognized as income and credited to investment income in the profit and loss account as per IFRS-9 "Financial Instrument: Recognition". Capital gain is recognized when it is realized and recognized as income and credited to investment income in the profit and loss account as per IFRS-9 "Financial Instrument: Recognition". Capital gain is recognized when it is realized in Note-26.

B.1 Interest and Dividend:

Interest on Bangladesh Government Treasury Bond and FDRs are recognized on accrual basis. Interest on STD/SND account, cash dividend on investment in share and other income are recognized as a when the amount is credited to our account. For stock dividend that received by the Company against its investment, number of shares increased and average cost of investment decreased.

1.3.12 Employee Benefits:

Asia Insurance Limited offers a number of benefit plans which includes Contributory Provident Fund, Gratuity and also Group Insurance and Festival Bonus which have been accounted for in accordance with the provision of International Accounting Standard -19, "Employee Benefit." Bases of enumerating the above benefits schemes operated by the company are outlined below:

Contributory Provident Fund:

The Company operates a contributory provident fund for its permanent employees. The fund is administered separately by a Board of Trustees and is funded by equal contribution from the Company and the Employees. This fund is invested separately from the Company's assets.



ASIA INSURANCE LIMITED
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For the year ended 31 December 2020

Workers Profit Participation Fund (WPPF):

As per sec 232 of The Bangladesh Labor Act 2006 Chapter XV "Workers" is not clearly defined. Besides, Bangladesh Insurance Association (BIA) deems it as, unjustified Imposition for the Bank and financial institution, like Insurance Company too. In this connection, BIA has taken the initiative for not applying the WPPF in our final accounts.

1.3.13 Foreign currency transaction:

a) Functional and presentational currency

Financial statements of the company are presented in Bangladeshi Taka that reflects both the functions and presentation of the currency.

b) Foreign currency translation

Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rate on the respective date of such transaction as per IAS 21: "The Effects of Changes in Foreign Exchange Rates".

1.3.14 Earnings per Share (EPS):

The Company calculates Earning per Share (EPS) in accordance with IAS 33: Earning per Share, which has been shown on the face of Profit or Loss Account, and the computation of EPS is stated in Note-36.

Basic Earnings:

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority 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 of the year plus the number of shares issued during the year multiplied by a time-weighting factor. The time weighting factor is the numbers of days the specific shares are outstanding as a proportion of the total number of days in the year.

Basic Earnings per Share:

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

1.3.15 Statement of Operating cash flow per share :

Statement of Cash Flows is prepared in accordance with IAS-7 "Statement of Cash Flows". The cash flows from the operating activities have been presented under Direct Method as prescribed by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 18(b) of IAS-7 which provides that "Enterprises are encouraged to report Cash Flow from Operating Activities using the Direct Method". The reconciliation of operating cash flow on operating activities into indirect method has been performed as per BSEC notification no- BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June, 2018. Operating cash flow per share is stated in Note- 38.



ASIA INSURANCE LIMITED
Notes to the Financial Statements
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1.3.16 Uncertainties for use of estimates in preparation of Financial Statements:

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of other information at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as depreciation on fixed assets, accrued expenses and income taxes.

1.3.17 Comparative Amounts:

Certain comparative amounts have been re-classified & rearranged to confirm with the current year's presentation.

1.3.18 Related Party Disclosure:

Asia Insurance Limited, in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party contained in International Accounting Standard 24: Related Party Disclosures. 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 the related party disclosures have been given in Note 40 and 42.

1.3.19 Information Technology:

Asia Insurance Limited IT department is engaged in continuous development of software system and network infrastructure of the Company and the company has invested significantly in IT and IS pertaining to insurance policies and its associated accounting procedures. Furthermore the company has implemented software for its accounting and record keeping purpose.

1.3.20 Event after the reporting period: Proposed Dividend:

- a. As per IAS 10: "Events after Reporting Period" there was no adjusting event after reporting period of such importance, non-disclosure of which may affect the ability of the users of the financial statements to make proper evaluations and decisions.
- b. Proposed dividend for the year-2020. The board of directors at the 147th board meeting held at its head office on **June 01, 2021** recommended to the shareholders Cash dividend @ 12% for the year ended December 31, 2020. This will be considered for approval by the shareholders at the 21st Annual general meeting (AGM) will be held on **August 02, 2021**. The Company has disclosed the same in the notes to the financial statements in Note-45.



ASIA INSURANCE LIMITED
Notes to the Financial Statements
For the year ended 31 December 2020

1.4 Status of Compliance of International Accounting Standards and International Financial Reporting Standards:

Name of the IAS	IAS No.	Status of Application
Presentation of Financial Statements	1	Applied
Cash flow Statements	7	Applied
Accounting Policies , Changes on accounting estimates and errors	8	Applied
Event after Balance sheet date	10	Applied
Income Tax	12	Applied
Property, Plant & Equipments	16	Applied
Employee Benefits	19	Applied
Accounting for Govt. Grants	20	N/A
The effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting for Investments	25	Applied
Consolidated Financial Statements and Accounting for Investment in subsidiary	27	N/A
Earnings Per Share	33	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurements	39	Applied
Investment Property	40	N/A
Agriculture	41	N/A
Name of the IFRS	IFRS No.	Status of Application
First Adoption of IFRS	1	N/A
Business Combination	3	N/A
Insurance Contracts	4	Applied
Financial Instruments: Disclosure	7	Applied
Operating Segments	8	Applied
Financial Instruments : Recognition & Measurement	9	Applied
Fair Value Measurement	13	Applied
Revenue from Contracts with Customers	15	Applied
Leases	16	Applied

1.5 Covid-19 effects on the financial statements

Premium income was comparatively lower during the countrywide lockdown from March to May 2020 despite all branch offices and the businesses were run at that period. Overall premium income was increased in the last half of the year; as a result premium income was increased during the year. The company cut its management expenses during the year. Provision for diminution in value of investments has been decreased significantly due to the favorable impact on the Capital market trading during the last 2 quarters of the financial year 2020.



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		Amount in Taka	
		2020(Dec)	2019(Dec)
2	Authorized Capital		
	100,000,000 ordinary shares of Tk. 10/- each	Total	1,000,000,000
3	Issued, subscribed & Paid-up Capital	Total	470,698,580
3	Issued, subscribed & Paid-up Capital	Total	470,698,580
	4,70,69,858 ordinary shares of Tk. 10/- each		

Particulars	2020		2019	
	No. of Shareholding	% of Shareholding	No. of Shareholding	% of Shareholding
1. Sponsors & Directors (Group-A)	18,827,934	40.00	18,827,934	40.00
2. General Public (Group-B)	28,241,924	60.00	28,241,924	60.00
Total:	47,069,858	100.00	47,069,858	100.00

Classification of shareholders as per Shareholdings-2020

Group- A (Sponsors & Directors)

Class interval	No. of Shareholder	No. of Share	% of Total Shares holding	% of Total Paid up Capital
0000000001 to 0000010000	-	-	-	-
0000010001 to 0000020000	-	-	-	-
0000020001 to 0000030000	-	-	-	-
0000030001 to 0000040000	-	-	-	-
0000040001 to 0000050000	-	-	-	-
0000050001 to 0000060000	-	-	-	-
0000060001 to 0000070000	-	-	-	-
0000070001 to 0000080000	-	-	-	-
0000080001 to 0000090000	-	-	-	-
0000090001 to 1000000000	13	18,827,934	100.00	40.00
TOTAL	13	18,827,934	100.00	40.00

Group- B (General Public)

Class interval	No. of Shareholder	No. of Share	% of Total Shares holding	% of Total Paid up Capital
0000000001 to 0000010000	2682	2,455,113	8.69	5.22
0000010001 to 0000020000	50	754,260	2.67	1.60
0000020001 to 0000030000	29	757,584	2.68	1.61
0000030001 to 0000040000	15	518,252	1.84	1.10
0000040001 to 0000050000	20	931,483	3.30	1.98
0000050001 to 0000060000	7	386,273	1.37	0.82
0000060001 to 0000070000	6	377,339	1.34	0.80
0000070001 to 0000080000	5	380,082	1.35	0.81
0000080001 to 0000090000	5	423,441	1.50	0.90
0000090001 to 1000000000	41	21,258,097	75.27	45.16
TOTAL	2860	28,241,924	100.00	60.00



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		Amount in Taka	
		2020(Dec)	2019(Dec)
4 Share Premium	Total	116,288,920	116,288,920
5 Reserve or Contingency Account (5+6+7)	Total	319,443,522	275,273,532
The above amount is arrived at as under :			
Opening balance		275,273,532	250,273,532
Add : Reserve made during the year 2020		44,169,990	25,000,000
Reserve for exceptional losses is appropriation out of current year profit about 10% of Net premium earned during the year,2020. The above amount is eligible for tax relief under the 4th schedule of ITO 1984.			
6 General reserve	Total	11,771,100	7,771,100
Opening balance		7,771,100	6,771,100
Add :Reserve made during the year 2020		4,000,000	1,000,000
7 Profit & Loss Appropriation Account		56,968,828	48,011,487
8 Lease Liabilities	Total	8,406,413	-
Current Liabilities		5,046,391	-
Non-Current Liabilities		3,360,022	-
Lease Value on Maturity		17,978,582	-
Opening balance		-	752,860
Interest for Current lease Liability		1,048,151	(752,860)
Transfer from Right of Use Office Rent		16,930,431	
Current Payment		9,572,169	-
Opening balance(Non-Current Maturity)		-	-
Less. Adjustment for Current Liability		6,479,084	-
Less. Adjustment for Advance Lease Liability		3,093,085	-
9 Balance of Fund & Account	Total	178,900,516	164,398,700
Fire Insurance business		54,592,316	47,363,327
Marine Cargo Insurance business		72,021,314	78,436,572
Marine Hull Insurance business		3,700,926	1,537,777
Motor Insurance business		20,408,805	17,156,808
Miscellaneous Insurance business		28,177,155	19,904,216

*As per Insurance Act 2010 the Company must be made reserve at 100% of Premium Income from Marine hull insurance business & 40% reserve on Net Premium Income from others class of Business,

Asia Insurance Limited
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		Amount in Taka	
		2020(Dec)	2019(Dec)
10 Estimated liability in respect of outstanding claim	Total	121,337,196	48,721,396
whether due or intimated			
Fire Insurance business		106,246,564	42,225,975
Marine Cargo Insurance business		5,892,417	5,463,245
Motor Insurance business		3,182,499	1,032,176
Miscellaneous Insurance business		6,015,716	-

*Estimated liability in respect of outstanding claim- Surveyors submitted many reports (They call it Surveyors report) of claim to AIL in between the month of October 2020 to December 2020. Basically it takes time to fulfill the claim amount. AIL was not able to settle those claims in 2020 so they identified those claims as outstanding claims and the amount is bigger than the previous year.

11 Amount due to other persons or bodies carrying on insurance business	Total	232,887,945	214,863,066
Opening balance Sadharan Bima Corporation		214,129,285	149,457,365
Paid during the year		(47,479,967)	(34,625,723)
Add, Payable to SBC (RI Ceded premium during the year-2020)		64,722,438	99,297,643
Closing Balance (Payable to Sadharan Bima Corporation)		231,371,756	214,129,285
Opening balance (Protection-Re)		733,781	1,152,153
Add, Payable to Protection-Re (RI Ceded premium during the year-2020)		11,643,106	13,530,098
10% Tax Payable		1,164,311	1,352,995
Paid during the year (Protection-Re)		(10,931,826)	(13,910,446)
Paid 10% Tax Payable (Protection-Re)		(1,093,183)	(1,391,019)
Closing Balance (Payable to Protection-Re)		1,516,189	733,781

*AIL is doing the reinsurance business with Sadharan Bima Corporation. This years Re-insurance Ceded premium is higher than the last year resulting in the fluctuation.

12 Deposit Premium	Total	133,228,085	79,857,512
Fire Insurance business		-	-
Marine Cargo Insurance business		111,735,043	69,009,825
Marine Hull Insurance business		203,374	237,124
Motor Insurance business		-	3,074
Miscellaneous Insurance business		-	-
Excess Deposit		787,300	594,922
VAT		202,290	352,963
Stamp duty		20,300,078	9,659,604

* This Deposit premium amount represents the amount of premium which deposited to the Companies Bank Account against issued cover notes for which no policies have been issued up to the end of the year 2020. which will be adjusted after issuance of policies.

* As this financial year the number of cover notes has increased & Deposit Premium of Marine Cargo Insurance has increased from the last financial year 2019.



Asia Insurance Limited
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Amount in Taka	
2020(Dec)	2019(Dec)
327,469,726	287,472,025
6,538,392	6,538,392
8,833,548	8,833,548
8,421,256	8,421,256
11,728,117	11,728,117
-	-
5,899,836	5,899,836
16,800,000	16,800,000
37,230,000	37,230,000
47,164,364	47,164,364
10,330,169	10,330,169
20,834,803	20,834,803
25,120,900	25,120,900
33,947,949	33,947,949
25,352,603	25,352,603
29,270,087	29,270,087
39,997,702	-

13 Provision for Taxation

Total

Provision for Taxation 2007-08	(Pending in High Court)
Provision for Taxation 2008-09	(Pending in High Court)
Provision for Taxation 2009-10	(Pending in High Court)
Provision for Taxation 2010-11	(Pending in High Court)
Provision for Taxation 2011-12	(Settled)
Provision for Taxation	Unadjusted Provision for Taxation
Provision for Taxation 2012-13	(Pending in High Court)
Provision for Taxation 2013-14	(Pending in High Court)
Provision for Taxation 2014-15	(Pending in High Court)
Provision for Taxation 2015-16	(Pending in High Court)
Provision for Taxation 2016-17	(Pending in Tribunal)
Provision for Taxation 2017-18	(Pending in Tribunal)
Provision for Taxation 2018-19	(Assessment Under Process)
Provision for Taxation 2019-20	(Assessment Under Process)
Provision for Taxation 2020-21	(Assessment Under Process)
Provision for Taxation 2021-22	

14 Calculation of Provision for Deferred Tax

A. Provision for Deferred Tax on Property, Plant & Equipment

Carrying Value of Property, Plant & Equipment

Tax Base of Property, Plant & Equipment

Taxable Temporary Deference

Tax rate

Deferred Tax Liability on Property, Plant & Equipment

B. Provision for Deferred Tax on Provision for Gratuity

Carrying Value of Provision for Gratuity

Tax Base of Provision for Gratuity

Tax Rate

Deferred Tax on Provision for Gratuity

Deferred Balance

Closing Deferred Tax Liability

Opening Deferred Tax Liability

Deferred Tax adjust during the year.

207,626,926	201,783,547
197,581,594	191,300,573
10,045,331	10,482,974
37.50%	37.50%
3,766,999	3,931,115
6,159,245	2,290,343
6,159,245	-
-	-
37.50%	37.50%
-	858,879
3,766,999	3,072,237
3,766,999	3,072,237
3,072,237	(2,646,560)
694,762	425,677

** Deferred Tax has been calculated for the period ended December 31, 2020 in compliance to IAS - 12.

Asia Insurance Limited
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15 Sundry Creditors

Total

Amount in Taka	
2020(Dec)	2019(Dec)
51,786,561	52,778,148
225,000	200,000
30,000	30,000
282,250	924,547
282,250	924,547
21,646	97,838
4,711	19,468
11,078,255	13,081,823
1,226,595	1,226,595
216,640	216,640
2,809,536	2,148,132
446,416	446,416
8,139,186	4,639,186
8,530,782	8,530,782
-	275,203
244,499	259,540
2,155,626	1,658,512
8,059,285	4,839,174
378,689	393,177
1,053,258	759,498
6,601,937	12,107,069

* Provision for performance bonus was kept during the year as per board approval.

15.1 Dividend (Un-claimed) payable

Year -2010
Year -2011
Year -2012
Year -2013

11,078,254	13,081,823
3,608,695	3,611,694
3,728,225	5,720,552
2,022,760	2,024,177
1,718,574	1,725,401

Asia Insurance Limited
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Amount in Taka	
2020(Dec)	2019(Dec)

16 Investment

Total

210,723,002

165,028,937

All investments of AIL are initially recognized at cost, being the fair value of the consideration given which include transaction cost and these are classified in to the following categories:

- Held for Trading
- Held to Maturity
- Available for sale

-	-
25,000,000	25,000,000
185,723,002	140,028,937

16.2 Held to Maturity

Investments with fixed maturity that the management has the intent and ability to hold maturity are classified as held to maturity and are initially measured at cost.

Ten Years Government Treasury Bond

Total

25,000,000

25,000,000

16.3 Investment in Share :

Available for Sale

(Fair Market Value)

Total

185,723,002

140,028,937

Opening balance of Share

Cost of Investment of Share

Provision for Fair value adjustment opening of the year 2020

Fair value of Investment of Share on 01.01.2020

Add. Purchases of Share during the year-2020

221,780,645	266,612,866
81,751,708	(88,707,927)
140,028,937	177,904,939
45,365,706	-

Total Investment of Share

Less. Sale of Share during the year.2020

267,146,351	266,612,866
27,403,111	44,832,221

239,743,240

221,780,645

Fair value of the Investment in Share

Provision for Fair value adjustment for the year ended December 31.2020

185,723,002	140,028,937
(54,020,238)	(81,751,708)

16.4 Fair value reserve opening 1.January,2020

Provision for Fair value adjustment during the year 2020

Fair value reserve at December 31,2020

81,751,708	88,707,926
27,731,470	(6,956,218)
54,020,238	81,751,708

***Details of Investment of Share as shown with Annexure - B**

*AIL might suffer from aftereffect of Covid 19. It might adversely affect the value of investment, due to fall in market price and increase in volatility.

17 Interest, Dividend, Rent Outstanding

Total

24,571,806

30,492,725

Accrued Interest on FDR

Opening balance

Accrued during the year

Interest received during the year

23,921,316	29,842,234
29,842,234	22,244,910
62,446,315	56,544,405
(68,367,233)	(48,947,081)

Accrued Interest on Govt. Treasury Bond

Opening balance

Accrued during the year

Interest received during the year

650,490	650,491
650,490	919,152
2,603,480	2,754,219
(2,603,480)	(3,022,880)

Asia Insurance Limited
Notes to the Financial Statements
As on 31 December 2020

18 Amount due from other persons or bodies

Total

Amount in Taka	
2020(Dec)	2019(Dec)

212,305,031	209,359,869
--------------------	--------------------

carrying on insurance business

SBC & Protection-re

Opening balance

Add. Receivable against PSB Account during the year,2020

Add. Receivable against Outstanding Claims (SBC Share) during the year,2020

Add. Receivable against Claims Paid (SBC Share) during the year,2020

Add. Receivable against Claims Paid (Protection-re) during the year,2020

Less. Adjustment of recovered Marine & Fire Claims-2013

Less. Adjustment of Non-recoverable Marine Claims-2013

Less. Received outstanding Motor claims (Protection re) for the year,2019

Less. Realised from SBC against Outstanding claim (Fire)

Less. Realised from SBC against Outstanding claim (Marine Cargo)

212,305,031

209,359,869

209,359,869

106,751,380

11,785,656

14,180,562

99,507,496

40,688,606

1,018,439

-

16,901,639

-

(12,157,803)

-

(44,257,332)

-

(282,735)

(683,400)

(61,765,011)

(28,109,938)

(7,805,188)

76,532,659

19 Sundry Debtors

Total

13,559,905	18,797,904
-------------------	-------------------

Opening balance

Add. During the year

Less. Deposit clearing

18,797,904

61,561,112

13,401,872

18,787,975

(18,639,871)

(61,551,183)

*There was significant payments made against outstanding balance in relation to cover notes resulting in a much lower outstanding balance compared to the previous financial year.



Asia Insurance Limited
Notes to the Financial Statements
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20 Advance, deposit and prepayments

Total

Amount in Taka	
2020(Dec)	2019(Dec)
360,823,554	313,544,373
214,169	243,527
2,882,439	-
62,200	4,440,295
3,030,000	2,595,000
38,164,287	31,309,153
1,300,055	947,331
11,879,055	10,656,588
65,087	-
13,998,429	13,998,429
273,116,407	241,954,118
1,000,000	713,000
111,426	5,011
15,000,000	-
-	6,000,000
-	598,625
-	83,296

Advance Salaries	
Advance Lease Liabilities	
Advance Office rent	
Advance Tax Car Registration	20(b)
Advance Tax FDR Account	20(c)
Advance Tax STD Account	20(d)
Advance Tax Dividend	20(e)
Advance Tax Govt Treasury Bond	
Advance Tax Deduction at Source	20(f)
Advance Tax payments-(2007-2008 to 2020-2021)	20(g)
Advance Procurement Provider (Calendar)	
Advance BLI Securities Limited	
Advance Share Beat for Lub-Ruef BD Limited	
Advance Office Decoration	
Advance Air Condition	
Interest on Income Tax	

20(b) Advance Tax Car

Total

3,030,000	2,595,000
1,155,000	1,155,000
300,000	300,000
420,000	420,000
330,000	330,000
390,000	390,000
435,000	-

Advance Tax Car 2013	
Advance Tax Car 2016 (2017-2018)	
Advance Tax Car 2017 (2018-2019)	
Advance Tax Car 2018 (2019-2020)	
Advance Tax Car 2019 (2020-2021)	
Advance Tax Car 2020 (2021-2022)	

20(c) Advance tax FDR A/c

Total

38,164,287	31,309,153
13,174,421	13,174,421
4,766,602	4,766,602
3,926,808	3,926,808
4,532,850	4,532,850
4,908,472	4,908,472
6,855,134	-

Advance Tax FDR A/c	
Advance Tax FDR A/c 2016 (2017-2018)	
Advance Tax FDR A/c 2017 (2018-2019)	
Advance Tax FDR A/c 2018 (2019-2020)	
Advance Tax FDR A/c 2019 (2020-2021)	
Advance Tax FDR A/c 2020 (2021-2022)	

20(d) Advance Tax STD A/c

Total

1,300,055	947,331
540,779	540,779
121,272	121,272
115,347	115,347
169,933	169,933
352,724	-

Advance Tax STD A/c 2016(2017-2018)	
Advance Tax STD A/c 2017(2018-2019)	
Advance Tax STD A/c 2018(2019-2020)	
Advance Tax STD A/c 2019 (2020-2021)	
Advance Tax STD A/c 2020 (2021-2022)	

20(e) Advance Tax Dividend A/c

Total

11,879,055	10,656,588
3,549,165	3,549,165
2,490,678	2,490,678
3,020,100	3,020,101
661,600	661,600
935,045	935,045
1,222,467	-

Advance Tax Dividend A/c (2016-2017)	
Advance Tax Dividend A/c (2017-2018)	
Advance Tax Dividend A/c (2018-2019)	
Advance Tax Dividend A/c (2019-2020)	
Advance Tax Dividend A/c (2020-2021)	
Advance Tax Dividend A/c (2021-2022)	

Asia Insurance Limited
Notes to the Financial Statements
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Amount in Taka	
2020(Dec)	2019(Dec)

20(f) Advance Tax Deduction at Source

Total

Advance Tax Ded at source 2012 (2013-2014)
Advance Tax Ded at source 2013 (2015-2016)

13,998,429	13,998,429
5,128,656	5,128,656
8,869,773	8,869,773

20g) Advance Tax Payment

Total

Advance Tax paid - 2007-2008
Advance Tax paid - 2008-2009
Advance Tax paid - 2009-2010
Advance Tax paid - 2010-2011
Advance Tax paid - 2011-2012
Advance Tax paid - 2012-2013
Advance Tax paid - 2013-2014
Advance Tax paid - 2014-2015
Advance Tax paid - 2015-2016
Advance Tax paid - 2016-2017
Advance Tax paid - 2017-2018
Advance Tax paid - 2018-2019
Advance Tax paid - 2019-2020
Advance Tax paid - 2020-2021
Advance Tax paid - 2021-2022

273,116,407	241,954,118
5,447,700	5,447,700
4,925,053	4,925,053
8,170,317	8,170,317
13,275,415	13,275,415
-	-
26,290,484	26,290,484
42,165,891	42,165,891
38,113,199	38,113,199
10,111,200	10,111,200
21,694,765	18,809,921
25,037,002	20,259,557
21,785,381	21,785,381
22,600,000	22,600,000
21,000,000	10,000,000
12,500,000	-

21 Security Deposit

Total

Against Office Rent
Against Telephone
Against Electricity
Security Deposit(CDBL)

794,715	758,714
426,001	390,000
58,714	58,714
10,000	10,000
300,000	300,000

22 Fixed Deposit with Banks

Total

Opening balance
Add. New FDR Account Open during the year
Less. Encashment during the year

870,859,201	789,771,363
789,771,363	687,065,213
148,800,000	206,862,050
(67,712,162)	(104,155,900)

*New FDR account has been opened during the year leading significant increase in Fixed Deposit with Banks.

23 Cash on Hand and with Banks

Total

Current Account Deposit
STD SND SB Account with Banks
Cash on Hand

130,987,311	39,042,678
36,627,665	18,635,964
93,498,208	19,550,810
861,438	855,904



Asia Insurance Limited
Notes to the Financial Statements
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24 Property of Plant and Equipment

Total

Amount in Taka	
2020(Dec)	2019(Dec)
207,626,926	201,783,547
Vehicles	15,279,425
Office Decoration	24,763,572
Telephone Inst. & PABX System	329,248
Furniture & Fixture	9,190,862
Computer, Printer, Fax and Copier	1,240,846
Cookeries	33,800
Office Equipment	3,167,172
Air Conditioner	3,857,854
Land & Building	142,618,299
Software	1,302,470
Right of Use (Office Rent)	-
13,544,345	

Cost of Property of Plant and Equipment

Opening Balance

Add. Addition during the year 2020

Less. Disposal during the year 2020

Total Cost

Less: Accumulated Depreciation

Opening Balance

Add. Charge during the year 2020

Less. Disposal during the year 2020

Total Accumulated Depreciation

Written down value

306,258,197	306,268,527
32,000,752	4,799,670
-	(4,810,000)
338,258,949	306,258,197
104,474,649	91,582,054
26,157,374	16,874,069
-	(3,981,473)
130,632,023	104,474,650
207,626,926	201,783,547

**** Schedule of (Property of Plant and Equipment) has been given in Annexure-A**

25 Stock of Printing ,Stationery

Total

Procurement Provider (Printing)

Stationery

702,940	626,592
700,737	621,916
2,203	4,676

26 Interest, Dividend & Rents:

Total

Interest on STD Account

Dividend against Investment of Share

Interest on Loan Account

Interest on FDR Account Received

Accrued Interest on FDR Account

Interest on Govt Treasury Bond

Accrued Interest on Govt Treasury Bond

74,680,661	65,932,734
3,518,531	1,712,840
6,112,335	4,675,226
-	246,044
38,524,999	26,702,171
23,921,316	29,842,234
1,952,989	2,103,728
650,491	650,491

