

SUNLIFE INSURANCE COMPANY LIMITED
Life Revenue Account

For the Year Ended December 31, 2017

| Particulars | Note | Amount in Taka | |
|---|--------------|----------------------|----------------------|
| | | 31.12.2017 | 31.12.2016 |
| BALANCE OF FUND AT THE BEGINNING OF THE YEAR | | 3,154,972,657 | 3,441,823,871 |
| <u>PREMIUM LESS REINSURANCE</u> | 20 | | |
| First year Premium (Ekok) | | 114,832,279 | 100,715,747 |
| First year Premium (GM) | | 52,791,576 | 56,684,673 |
| First year Premium (Is Ekok) | | 101,644,455 | 71,342,411 |
| First year Premium (Is Asaan) | | 39,174,793 | 49,351,325 |
| First year Premium (LM) | | 49,004,425 | 60,943,602 |
| First year Premium (Adarsha) | | 49,289,228 | 53,547,860 |
| | | 406,736,756 | 392,585,618 |
| Renewal Premium (Ekok) | | 158,096,224 | 161,089,137 |
| Renewal Premium (GM) | | 113,754,109 | 149,893,055 |
| Renewal Premium (Is Ekok) | | 118,710,451 | 108,431,495 |
| Renewal Premium (Is Asaan) | | 122,649,875 | 141,168,377 |
| Renewal Premium (LM) | | 84,500,871 | 109,850,754 |
| Renewal Premium (Adarsha) | | 64,222,089 | 53,834,161 |
| | | 661,933,619 | 724,266,979 |
| Group Insurance Premium | | 15,988,851 | 20,299,016 |
| Gross Premium | | 1,084,659,226 | 1,137,151,613 |
| Less Re-Insurance Premium | | 3,415,568 | 5,361,943 |
| Net Premium | | 1,081,243,658 | 1,131,789,670 |
| Interest, Dividend & Profit on Share Sale & Disposal | 21 | 168,285,859 | 109,484,177 |
| Other Income | 22 | 7,316,639 | 3,009,655 |
| | | 4,411,818,813 | 4,686,107,373 |
| Piror year Adjustment | | 8,410,981 | - |
| | Total | 4,420,229,794 | 4,686,107,373 |

| | | |
|---|--------------------|--------------------|
| First year premium, where the maximum premium paying period is Single | - | - |
| Two Years | - | - |
| Three Years | - | - |
| Four Years | - | - |
| Five Years | - | - |
| Six Years | - | - |
| Seven Years | - | - |
| Eight Years | - | - |
| Nine Years | - | - |
| Ten Years | 48,808,410 | 41,214,215 |
| Eleven Years | 275,258 | 243,814 |
| Twelve Years or Over (Including throughout life) | 357,653,088 | 351,127,589 |
| | 406,736,756 | 392,585,618 |

Continued

SUNLIFE INSURANCE COMPANY LIMITED

Life Revenue Account

For the Year Ended December 31, 2017

| Particulars | Note | Amount in Taka | |
|---|-----------|--------------------|--------------------|
| | | 31.12.2017 | 31.12.2016 |
| CLAIMS UNDER POLICIES (INCLUDING PROVISION FOR CLAIMS DUE OR INTIMATED), LESS RE-INSURANCE | | | |
| | 23 | | |
| By Maturity | | 542,179,743 | 521,185,671 |
| By Death | | 19,017,045 | 13,907,789 |
| By Survival | | 173,555,648 | 191,369,257 |
| By Surrender | | 1,383,844 | 2,309,999 |
| Group Insurance | | 9,867,101 | 11,358,195 |
| By Others | | 710,402 | 314,259 |
| | | 746,713,783 | 740,445,170 |
| EXPENSES OF MANAGEMENT | | | |
| <u>Commission :</u> | | | |
| a) Commission to Insurance Agents(Less that on Re-Insurance) | | 120,290,847 | 154,893,962 |
| Sub-item (a) Preceding) | | 51,553,220 | 51,631,321 |
| | | 171,844,067 | 206,525,283 |
| Salaries etc.(other than to agents and those contained in the allowance and commission) | | 178,255,778 | 233,945,703 |
| Traveling and conveyance | | 72,785,449 | 79,560,843 |
| Directors' Fees | | 477,000 | 470,000 |
| Auditors' Fees | | 202,500 | 172,500 |
| Medical Fees | | 454,405 | 2,851,530 |
| Actuarial Fees | | - | 575,000 |
| Insurance Policy Stamps | | 3,973,735 | 4,978,123 |
| Advertisement and publicity | | 2,155,375 | 4,657,063 |
| Printing and stationery | | 4,513,770 | 7,946,342 |
| Legal & Professional Fees | | 799,165 | 902,565 |
| Office Rent | | 47,051,861 | 63,234,031 |
| Bank Charges | | 2,147,597 | 3,897,997 |
| Repairs & Maintenance on Others | | 14,405,858 | 16,191,848 |
| Car Repair & Maintenance | | 12,684,299 | 15,259,935 |
| Car Fuel Expenses | | 13,824,318 | 14,210,774 |
| Corporate Social responsibility | | 297,925 | 242,006 |
| Papers & Periodicals | | 213,131 | 316,427 |
| Telephone, Mobile,Internet and Fax etc. | | 4,578,531 | 5,132,181 |
| Training & Recruitment Exp. | | 165,420 | 509,640 |
| Fees, Subscription and Donation | | 723,995 | 27,183 |
| | | 359,710,112 | 455,081,691 |

continued

SUNLIFE INSURANCE COMPANY LIMITED
Life Revenue Account
For the Year Ended December 31, 2017

| Particulars | Note | Amount in Taka | |
|--|------|----------------------|----------------------|
| | | 31.12.2017 | 31.12.2016 |
| | B/F | 359,710,112 | 455,081,691 |
| Entertainment | | 2,836,758 | 4,376,447 |
| Insurance Premium (General) | | 338,604 | 304,395 |
| Postage & Telegrams | | 403,738 | 686,388 |
| Development Expenses | | 38,531,478 | 59,614,209 |
| Company Registration Fees | | 3,975,912 | 6,653,279 |
| Forms & Stamps | | 204,420 | 358,090 |
| AGM Expenses | | 591,700 | 219,903 |
| Deffered Expenses(written off) | | 1,940,200 | 1,940,200 |
| Agent balance(written off) | | - | - |
| Credit Rating Fee | | 143,750 | - |
| Gas Water & Electricity | | 7,235,693 | 8,671,014 |
| Cleaning & Washing | | | 18,300 |
| Trade Licence | | 9,973 | 20,600 |
| Group Insuranec Premium | | 594,100 | 946,185 |
| Share Transfer, Listing & Membership fees (CDBL) | | 111,478 | 460,767 |
| Contribution to Employees P.F | | 3,979,766 | 3,723,333 |
| Other expenses | | 516,597 | 366,796 |
| | | 421,124,279 | 543,441,597 |
| Other Expenses: | | | |
| Depreciation on Fixed Assets | | 44,588,973 | 40,722,667 |
| | | 1,384,271,102 | 1,531,134,717 |
| Stock Dividend | | - | |
| Balance of fund at the end of the year | | 3,035,958,692 | 3,154,972,656 |

The accompanying notes 1 to 29 and 4 Annexure is an integral part of the financial statements.



Company Secretary



Additional MD & CFO



Chief Executive Officer



Director



Director



Chairperson

Dated; Dhaka.
The 31st July, 2018


Islam Quazi Shafique & Co.
Chartered Accountants.

SUNLIFE INSURANCE COMPANY LIMITED

Cash Flow Statement

As at December 31, 2017

| Particulars | Amount in Taka | |
|--|----------------------|----------------------|
| | 31.12.2017 | 31.12.2016 |
| Cash Flow From Operating Activities | | |
| Collection from Premium | 1,123,778,771 | 1,161,900,070 |
| Other Income Received | 15,727,620 | 3,009,655 |
| Payment for Claim | (753,986,882) | (740,083,958) |
| Payment for Re-insurance, Management Exps. & Others | (584,613,914) | (746,459,668) |
| Net Cash from Operating Activities | (199,094,405) | (321,633,901) |
| Cash Flow From Investing Activity | | |
| Investment Made | 435,299,605 | 320,867,032 |
| Acquisition of Fixed Assets | (175,344,922) | (50,980,036) |
| Loan Against Policies Paid | 58,393 | (259,808) |
| Other Loan realized/ Paid | (91,125,248) | 65,528,504 |
| Interest & Dividend Received | 184,145,291 | 128,688,225 |
| Net Cash used in investing activities | 353,033,119 | 463,843,917 |
| Cash Flow From Financing Activities | | |
| Payment of Refund Warrant to the Unsuccessfull share applicant | - | - |
| Payment of SOD/ realized of SOD | (47,500,000) | (14,725,418) |
| Net Cash from Financing Activities | (47,500,000) | (14,725,418) |
| Net increase/decrease in cash and cash equivalents | 106,438,714 | 127,484,598 |
| Cash and cash equivalents at the beginning of the period | 402,123,993 | 274,639,395 |
| Cash and cash equivalents at the end of the period | 508,562,707 | 402,123,993 |

Note:

Closing Cash & Bank Balance :

Cash & Bank Balance as shown in the Balance Sheet

Less: Investment as FDR with Banks

| | |
|--------------------|--------------------|
| 867,885,213 | 886,061,700 |
| 359,322,506 | 483,937,707 |
| 508,562,707 | 402,123,993 |

The accompanying notes 1 to 29 and 4 Annexure is an integral part of the financial statements.



Company Secretary



Additional MD & CFO



Chief Executive Officer



Director



Director



Chairperson



Islam Quazi Shafique & Co.

Chartered Accountants.

Dated; Dhaka.

The 31st July, 2018

SUNLIFE INSURANCE COMPANY LIMITED
Statement of Life Insurance Fund
As at December 31, 2017

ASSETS

| | Amount in Taka | |
|---|-----------------------------|-----------------------------|
| | 31.12.2017 | 31.12.2016 |
| Loan on Insurer's Policies within their Surrender Value | 4,026,541 | 4,084,934 |
| Investments | 1,095,174,454 | 1,405,858,857 |
| Agent Balance | - | - |
| Outstanding Premium | 394,252,115 | 436,787,228 |
| Interest & Dividend accruing but not due | 31,190,648 | 47,050,080 |
| Advance, Loans & Deposits | 382,470,908 | 289,405,460 |
| Cash & Bank Balance | 867,885,213 | 886,061,700 |
| Fixed Assets (at cost less depreciation) | 745,342,220 | 615,597,465 |
| Deferred Expenses | 3,119,970 | 5,060,170 |
| Stamps, Printing and Stationery in hand | 7,052,559 | 6,043,115 |
| | <u>3,530,514,628</u> | <u>3,695,949,009</u> |

LIABILITIES

| | | |
|--|-----------------------------|-----------------------------|
| Estimated Liabilities in respect of outstanding claims, whether due or intimated | 4,525,752 | 11,798,851 |
| Amount due to other persons of bodies carrying on insurance business | 1,444,620 | 566,421 |
| Re-valuation reserve Flat (BTA) | 14,156,722 | 15,167,916 |
| Sundry Creditors | 123,833,841 | 162,848,164 |
| Total | <u>143,960,935</u> | <u>190,381,352</u> |
| Gross Fund (Assets minus Liabilities) | <u>3,386,553,693</u> | <u>3,505,567,657</u> |
| Less : Shareholders' Capital (Paid up Capital) | 350,595,000 | 350,595,000 |
| Life insurance fund at the end of the period | <u>3,035,958,693</u> | <u>3,154,972,657</u> |

The accompanying notes 1 to 29 and 4 Annexure is an integral part of the financial statements.



Company Secretary



Additional MD & CFO



Chief Executive Officer



Director



Director



Chairperson

Dated; Dhaka.
The 31st July, 2018

Islam Quazi Shafique & Co.
Chartered Accountants.

SUNLIFE INSURANCE COMPANY LIMITED
Classified Summary of the Assets in Bangladesh
As at December 31, 2017

| SI No | Class of Assets | Book Value (Tk) | Market Value (Tk) | Remarks |
|-------|--|----------------------|----------------------|------------------|
| 1 | Statutory Deposits with Bangladesh Bank | 15,000,000 | 15,000,000 | At Cost |
| 2 | Loan on Insurer's Policies | 4,026,541 | 4,026,541 | Realizable Value |
| 3 | Investment in Shares | 381,474,454 | 352,814,988 | Fair Value |
| 4 | Bangladesh Govt. Treasury Bond | 698,700,000 | 698,700,000 | At Cost |
| 5 | Fixed Deposits with Bank | 359,322,505 | 359,322,505 | Realizable Value |
| 6 | Cash in hand and STD & Current Accounts | 508,562,707 | 508,562,707 | Realizable Value |
| 7 | Interest, Dividends & Rent accrued but not due | 31,190,648 | 31,190,648 | Realizable Value |
| 8 | Outstanding Premium | 394,252,115 | 394,252,115 | Realizable Value |
| 9 | Advance, loan & Deposits | 382,470,908 | 382,470,908 | Realizable Value |
| 10 | Fixed Assets (at cost less depreciation) | 745,342,220 | 617,792,808 | WDV |
| 11 | Deffered Expenses | 3,119,970 | 3,119,970 | At Cost |
| 12 | Stamps, Printing and Stationery in hand | 7,052,559 | 7,052,559 | At Cost |
| | | 3,530,514,628 | 3,374,305,750 | |

The accompanying notes 1 to 29 and 4 Annexure is an integral part of the financial statements.



Company Secretary



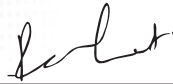
Additional MD & CFO



Chief Executive Officer



Director



Director



Chairperson

Dated; Dhaka.
The 31st July, 2018

Islam Quazi Shafique & Co.
Chartered Accountants.

Sunlife Insurance Company Ltd
Statement of Changes in Equity
As at December 31, 2017

| Particulars | Share Capital | Share Premium | General Reserve | Reserve for Exceptional Losses | Retained earning | Total |
|---|--------------------|---------------|-----------------|--------------------------------|------------------|--------------------|
| As at 01 January 2017 | 350,595,000 | - | - | - | - | 350,595,000 |
| Addition during this year (Bonus Share) | | - | - | - | - | - |
| As at 31 December 2017 | 350,595,000 | - | - | - | - | 350,595,000 |

Sunlife Insurance Company Ltd
Statement of Changes in Equity
As at December 31, 2016

| Particulars | Share Capital | Share Premium | General Reserve | Reserve for Exceptional Losses | Retained earning | Total |
|---|--------------------|---------------|-----------------|--------------------------------|------------------|--------------------|
| As at 01 January 2016 | 350,595,000 | - | - | - | - | 350,595,000 |
| Addition during this year (Bonus Share) | | - | - | - | - | - |
| As at 31 December 2016 | 350,595,000 | - | - | - | - | 350,595,000 |



Company Secretary



Additional MD & CFO



Chief Executive Officer



Director



Director



Chairperson

Dated; Dhaka.
The 31st July, 2018

Islam Quazi Shafique & Co.
Chartered Accountants.

Sunlife Insurance Company Limited

Notes to the Financial Statements
For the year ended December 31, 2017

1.0 Company and It's Activities:

1.1 Legal Status of Reporting Entity

The company is a public company limited by shares which came into operation on 30.05.2000 (License No. CCI-13/08/99-1075 dated 30.05.2000 of CCI & Incorporation No. C-39753(1721)2000 dated 31.03.2000) with an Authorized Share Capital of Tk 20 Crore divided into 20,00,000 Ordinary shares of Tk.100 each, of were issued and fully paid in cash by the Sponsors/ Directors. The company raised its Authorised Capital to Tk. 50 Crore by splitting off its share value from Tk. 100 to Tk. 10 with the approval of Extra Ordinary General Meeting (EGM) held in 16.01.2011. The Authorised Capital has now divided into 50,000,000 ordinary shares of Tk. 10 each, of which 35,059,500 ordinary shares of Tk. 10 each were issued and fully paid up.

1.2 Subsidiary to Associate Company

The Company was a subsidiary company named BD Sunlife Securities Ltd. incorporated on 2008 January 2013 with a paid up Capital Tk. 50,00,000 raised and thereafter to Tk. 9,90,00,000/- in 2014 of which the company owns 65% shares. The Board of Director sold 30% share of BD Sunlife Securities Ltd. Because of that, BD Sunlife Securities Ltd. is an Associate Company from this period and Other Associate Company Named BD Thai Food & Beverage Ltd. The audited accounts of the company taken profit from Two Associate Company only.

1.3 Principal Activities of the entity

The company is engaged in Life Insurance Business since the date of obtaining License from Chief Controller of Insurance. The Company is mainly engaged in Individual Life, Islamic Individual Life and Group life Insurance business. It also operates in non-traditional micro life insurance under the name Ganomukhi Bima, Islamic Asaan Bima and Lokomukhi Bima. And also it engages in Deposit Pension Scheme insurance business.

2.0 Basis of Preparation and Significant Accounting Policies

2.1 Components of Financial Statement

The financial Statement comprises-

- a) Balance Sheet
- b) Life Revenue Account
- c) Statement of Cash Flows
- d) Statement of Changes in Equity
- e) Statement of Life Fund Account
- f) Classified Summary of the Assets in Bangladesh
- g) Accounting Policies & Explanatory Notes.

2.2 Statement of Compliances

- (a) Compliance of Bangladesh Financial Reporting Standards;
The financial statements have been prepared in accordance with the applicable Bangladesh Financial Reporting Standards (BFRS) including Bangladesh Accounting Standards (BAS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) based on International

Accounting Standards (IAS) and International Financial Reporting Standards (IFRS).

(b) **Compliance of Local Laws and Regulations**

The following underlying laws, rules, regulations and accounting pronouncements have been considered in preparing and presenting the Financial Statements;

- i) Insurance Act, 2010
- ii) Companies Act, 1994
- iii) Securities and Exchange Commission Act, rules & regulations.
- iv) Income Tax Ordinance 1984
- v) Listing Regulations of Dhaka and Chittagong Stock Exchanges.
- vi) The Bangladesh Accounting Standards (BAS)
- vii) Any other applicable legislation.

2.3 Basis of Measurement

The financial statements have been prepared on historical cost basis except for financial instruments at fair value through profit or loss measured at fair value.

2.4 Functional and presentation currency and level of precision

The financial statements are presented in Bangladesh Taka (Taka/Tk) currency, which is the Company's functional currency. All financial information presented in Taka has been rounded off to the nearest Taka.

2.5 Foreign Currency

Foreign Currency is converted into taka currency at the rate prevailing on the date of bank credit.

2.6 Use of estimates and judgments

The preparation of the financial statements in conformity with BFRSs requires management to use judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.7 Financial Instruments

Non-derivative financial instruments comprise accounts and other receivable, cash and cash equivalents borrowings and other payables and are shown transaction cost.

2.8 Going Concern

The company has adequate resources to continue in operation for the foreseeable future. For this reasons the Shareholders continue to adopt going concern basis in preparing the accounts. The current resources of the company provides sufficient fund to meet the present requirements of its existing business.

2.9 Subsequent events after Reporting Period

Where necessary, all the material events after the reporting period have been

considered and appropriate adjustments / disclosures have been made in the financial statements declaration of dividends.

2.10 Reporting Period

The financial period of the Company has been determined to be from 1 January to 31 December each period. These financial statements cover the period from 1 January 2017 to 31 December 2017.

2.11 Comparative Information

Comparative information have been disclosed in respect of the year 2016 for all numerical information of the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current period's financial statements. Last year's figures have been rearranged where considered necessary to conform to current year's presentation.

2.12 Impairment

In accordance with the provisions of BAS 36: Impairment of assets, the carrying amount of non-financial assets, other than inventories is 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 and impairment losses are recognized in profit and loss account. No such indication of impairment has been raised till to date.

2.13 Provisions

In accordance with the guideline as prescribed by BAS 37: Provisions, contingent liabilities and Contingent Assets, provisions are recognized in the following situations;

- a. When the company has an obligation (legal or constructive) as a result of past events.
- b. When it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation; and
- c. Reliable estimate can be made of the amount of the obligations.

2.14 Accrued Expenses and other Payable

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

2.15 Approval of Financial Statement

The financial statements were approved by the Board of Directors on 31/07/2018.

2.16 Related Party Disclosures

The company carried out a number of transactions with related parties in the normal course of business and on arm's length basis.

The information is required by BAS 24: Related party disclosures have been disclosed in separate note-28 to the financial statements.

3.00 Significant Accounting Policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements-

3.1 Revenue Recognition

As per Bangladesh Accounting Standard (BAS) 18 Revenue, revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be measured reliably.

Premium :

i) Individual Life Policies

First year premiums are recognized as the related policies/First Premium receipts are issued against the premiums received by the company. Renewal premiums are recognized after received of the premium.

ii) Group Life Policies

The premiums of Group policies are recognized receipts of the premiums and in certain circumstances, premiums falling due under the policies within financial period of which premiums are subsequently received.

3.2 Property, Plant and Equipment 3.2.1 Recognition and Measurement

Items of property, plant and equipment are measured initially at cost and subsequently at cost less accumulated depreciation in compliance with Bangladesh Accounting Standard (BAS) 16 Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any direct cost for bringing the asset to its Working condition for its intended use. Expenditures incurred after the assets have been put into use, such as repairs and maintenance is normally

3.2.2 Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to- day servicing of property, plant and equipment are recognized in life revenue account as incurred.

3.2.3 Depreciation

Depreciation on fixed Assets has been calculated adopting straight line method on all assets at varying rates depending on the class and the estimated useful life of assets. Methods and Rates of providing depreciation are consistently applied in relation to:

| | |
|-----------------------------------|-----|
| Furniture & Fixtures | 10% |
| Office Decoration | 15% |
| Vehicles | 15% |
| Computer & Software | 15% |
| Building & Building Construction | 2% |
| Photocopy Machine | 15% |
| Telephone Installation | 15% |
| Water Filter, Vacuum Cleaner etc. | 15% |

3.2.4 Disposal of Fixed Assets

Gains and losses on disposal of an item of property, plant and equipment are to be determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment disposed off and is recognized net with "other income" life revenue account.

3.3 Investment in FDR(Fixed Deposit Receipt)

If the Company has the positive intent and ability to hold FDR to maturity, then such financial assets are classified as held to maturity. Held-to-maturity financial assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to- maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

3.4 Cash and Cash Equivalent

Cash and cash equivalents comprise cash balances and all call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

3.5 Leased Assets

Leases in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

3.6 Interest Income

Interest Income is derived from Investment of BGTB, FDR Investment and on STD account which is recognized on accrual basis.

3.7 Statement of Cash Flow

The net cash flow from operating activities is determined for the year under direct method as per Bangladesh Accounting Standard (BAS) 7 Statement of Cash Flows.

3.8 Investment

Investments include Bangladesh Govt.Treasury Bond (BGTB) (as statutory deposit with Bangladesh Bank), at face value and share at cost.

3.9 Taxation

i) Income Tax of Life Insurance Companies

Income Tax of Life Insurance Companies are determined under the Fourth Schedule of the Income Tax Ordinance 1984 on the basis of actuarial Valuation Report and the Income Tax has been provided in the Life Revenue account on that basis.

ii) Tax on Profit and gains of Insurance Business

The profits and gains of the Insurance Business from all sources are to be computed in accordance with the Actuarial Valuation Report under the provision in the Fourth Schedule of the Income Tax Ordinance and not under different heads of income.

So the management feels it is not necessary to make estimate of deferred Tax Assets/Liabilities as per provision of BAS-12.

3.10 Commission

Commission to Insurance Agents (Less that on Re-insurance) represents First Year Commission and Renewal Commission.

Allowances and Commission Represent Commission (Other than commission to Insurance Agents less that on Re-insurance).

3.11 Stock of Stationary As per BAS-2 :

Inventory consists of Stock of Stationary, stamps and printed materials have been valued at cost and such valuation was certified by the management.

3.12 Employees Benefit Plans As Per BAS-19:

The Company operates a recognized Contributory Provident Fund for all its regular employees. The Provident Fund is administered by the Board of Trustees and is funded both by contribution from employees and from the Company @ 10% of the basic pay each. Company also provided Group Insurance facilities of the employees.

3.13 Re-Insurance Premium

The company has re-insurance arrangement with SCOR GLOBAL LIFE SE, SINGAPORE Branch.

3.14 Borrowing Cost

This has been dealt with the requirements of BAS 23: Borrowing Cost- Borrowing costs as part of the cost of assets or as an expenses in profit or loss. Borrowing Costs relating to operation are recognized as expenses in the year in which they are incurred.

3.15 Investment in Shares

(a) In compliance with the requirements of BAS 27 : Consolidated and Separate Financial Statement, a consolidated financial statements was prepared combining the financial statements of the parents (the company) and its subsidiary line by line by adding together like items of assets,liabilities,equity,income and expenses of year 2016. All the intra group balances, transactions, income and expenses was eliminated in full of 2016. During reporting period it has become an associate from Subsidiary because of selling of shares of BD Sunlife Securities Ltd.

(b) In compliances with the requirements of BAS 25: Accounting for Investment, Investment in other shares being classified as Long-Term assets, are carried in the balance sheet at cost.

3.16 Loans, Advance, Deposit and Pre-Payments

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 property, plant and equipment or expenses. Deposits are measured at payment value.

4.0 Operation

4.01 Premium

During the year under audit, through the operation of Divisional and Agency Offices the Gross Premium earned by the Company amounted to Tk. 1,084,659,226 the net amount of premium is comprised of the following :

| Name of Policy | First Year Premium | Renewal Premium | Total |
|-----------------------------|--------------------|--------------------|----------------------|
| Ekok Bima Premium | 114,832,279 | 158,096,224 | 272,928,503 |
| Ganamukhi Bima Premium | 52,791,576 | 113,754,109 | 166,545,685 |
| Islami Ekok Bima Premium | 101,644,455 | 118,710,451 | 220,354,906 |
| Islamic Asaan Bima Premium | 39,174,793 | 122,649,875 | 161,824,668 |
| Lokomukhi Bima Premium | 49,004,425 | 84,500,871 | 133,505,296 |
| Adarsha Bima Premium | 49,289,228 | 64,222,089 | 113,511,317 |
| Total | 06,736,756 | 661,933,619 | 1,068,670,375 |
| Group Insurance Premium | 15,988,851 | - | 15,988,851 |
| | 422,725,607 | - | 1,084,659,226 |
| Less : Re-Insurance Premium | 3,415,568 | - | 3,415,568 |
| Net Premium | 19,310,039 | 661,933,619 | 1,081,243,658 |

4.02 Management Expenses

Management expenses inclusive of Commission, Salaries etc. have been charged to Revenue Account for an aggregate amount of Tk 592,968,346 which is 54.67% of gross premium.

Islam Quazi Shafique & Co.
Chartered Accountants

Amount in Taka

| | |
|----------|----------|
| 31.12.17 | 31.12.16 |
|----------|----------|

5.00 SHARE CAPITAL:

5.01 Authorized Capital:

| | | |
|---|-------------|-------------|
| 5,00,00,000 Ordinary Shares of Tk 10 each | 500,000,000 | 500,000,000 |
|---|-------------|-------------|

5.02 Issued, Subscribed and Paid-up Capital:

| | | |
|---|-------------|-------------|
| 3,50,59,500 Ordinary Shares of Tk 10 each | 350,595,000 | 350,595,000 |
|---|-------------|-------------|

5.03 The position of share holders as at December 31, 2017 is as follows :

| Group | No. of Shares | % of Share Holding |
|----------------|-------------------|--------------------|
| Sponsor | 14,721,484 | 41.99% |
| General Public | 10,707,171 | 30.54% |
| Institutions | 9,630,845 | 27.47% |
| Total: | 35,059,500 | 100.00% |

Year Wise Breakup of Bonus Share/Cash Dividend:

| Declaration in the AGM | Type | Percentage | Quantity | Amount | Year of Acturial valuation |
|------------------------|-------|------------|-----------|------------|----------------------------|
| 11th | Stock | 20% | 6,00,000 | 6,000,000 | 2009 |
| 12th | Cash | 20% | - | 6,000,000 | 2010 |
| 13th | Stock | 5% | 1,500,000 | 15,000,000 | 2012 |
| 14th | Stock | 5% | 1,575,000 | 15,750,000 | 2013 |
| 15th | Stock | 6% | 1,984,500 | 19,845,000 | 2014 |

6.00 LIFE INSURANCE FUND

| | | |
|--|----------------------|----------------------|
| Balance as on January 01, 2017 | 3,154,972,657 | 3,441,823,871 |
| Add : Life fund Generate during the year | (119,013,965) | (286,851,214) |
| Balance as on 31.12.2017 | 3,035,958,692 | 3,154,972,657 |

This consists of the accumulated balance of Life Insurance Fund up to December 31, 2017.

7.00 AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING

ON INSURANCE BUSINESS

| | | |
|--------------------------------|------------------|----------------|
| Ordinary Life (Note- 7.01) | 699,948 | 537,168 |
| Takaful Life (Note- 7.02) | 258,827 | 258,827 |
| New Project (Note- 7.03) | 95,012 | (177,144) |
| Group Re-Insurance (note-7.04) | 390,834 | (52,429) |
| | 1,444,620 | 566,422 |

Islam Quazi Shafique & Co.
Chartered Accountants

7.01 Ordinary Life

Opening Balance
Add: Premium on Re-insurance
Add: Exp. Refunds

Less: Commission on Re-insurance
Closing Balance

7.02 Takaful Life

Opening Balance
Add: Premium on Re-insurance

Less: Commission on Re-insurance
Closing Balance

7.03 New Project

Opening Balance
Add: Premium on Re-insurance
Add: Exp. Refund

Less: Commission on Re-insurance
Closing Balance

7.04 Group Re-Insurance

Opening Balance
Add: Premium on Re-insurance

Less: Commission on Re-insurance
Closing Balance

8.00 Re-Valuation Reserve

The amount is made up as follows:

Revaluation Reserve Original Balance
Add : Revaluation made during the year

Less: Accumulated Depreciation on original cost
Closing Balance

Depreciation on increased value due to revaluation has been adjusted against Revaluation Reserve. No impact on deferred tax has been calculated as the life insurance is assessed for income tax on the basis of actuarial valuation irrespective of book profit.

9.00 ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING

WHETHER DUE OF INTIMATED.

The above amount has been arrived at as under :

Death Claim:

| | | |
|------------------|------------------|-------------------|
| Ekok Bima | 2,348,524 | 1,200,779 |
| Islami Ekok Bima | 445,289 | 648,807 |
| Gonomukhi Bima | (212,238) | 2,291,522 |
| Lokomukhi Bima | 1,829,177 | 7,446,970 |
| Islami Asan Bima | - | 95,773 |
| Urban Bima | 115,000 | 115,000 |
| | 4,525,752 | 11,798,851 |

| Amount in Taka | |
|-------------------|-------------------|
| 31.12.17 | 31.12.16 |
| 537,168 | 519,970 |
| 687,518 | 1,475,610 |
| 97,354 | 75,808 |
| 1,322,041 | 2,071,388 |
| 622,093 | 1,534,220 |
| 699,948 | 537,168 |
| 258,827 | 258,827 |
| - | - |
| 258,827 | 258,827 |
| 258,827 | 258,827 |
| (177,144) | (134,324) |
| 2,001,681 | 3,344,683 |
| 149,921 | 110,619 |
| 1,974,459 | 3,320,979 |
| 1,879,447 | 3,498,123 |
| 95,012 | (177,144) |
| (52,429.00) | |
| 479,091 | 541,650 |
| 426,662 | 541,650 |
| 35,829 | 594,079 |
| 390,834 | (52,429) |
| 50,559,720 | 50,559,720 |
| - | - |
| 50,559,720 | 50,559,720 |
| 36,402,998 | 35,391,804 |
| 14,156,722 | 15,167,916 |

| | Amount in Taka | |
|---|--------------------|--------------------|
| | 31.12.17 | 31.12.16 |
| 10.00 SUNDRY CREDITORS: | | |
| Mediclaime Ins Premium Payable | 1,490,200 | 1,490,200 |
| Auditors' Fees (Note- 10.01) | 582,500 | 582,500 |
| Agents License fees | 2,873,477 | 2,668,234 |
| Employer of agents License fees | 2,257,016 | 2,114,866 |
| Tax & VAT deduction at source | 24,149,276 | 19,361,358 |
| Income Tax deducted against Insurance Comm. | 34,208,509 | 33,264,964 |
| Accrued Expenses (Provision for exp.) | 11,134,775 | 4,415,764 |
| Security Money | 339,000 | 329,000 |
| Staff Premium Payable | 302,348 | 257,204 |
| Provision for Doubtful Outstanding Premium | 3,072,464 | 3,072,464 |
| Employees P.F. Contribution | 8,672,539 | 8,112,205 |
| SOD Loan (Notes no.10.02) | - | 47,500,000 |
| Lease Liability A/C (Notes no.10.03) | 15,750,206 | 21,831,145 |
| Share Application Money Refundable | 8,760,630 | 8,760,630 |
| Provision for IPO Expenses | 338,968 | 338,968 |
| Other Creditors (Notes - 10.04) | 9,901,933 | 8,748,662 |
| | 123,833,841 | 162,848,164 |
| 10.01 Auditors' Fees | | |
| For the year 2005 | 50,000 | 50,000 |
| For the year 2008 | 120,000 | 120,000 |
| For the year 2009 | 120,000 | 120,000 |
| For the year 2010 | 120,000 | 120,000 |
| Statutory Audit Fees 2016 | - | 172,500 |
| Statutory Audit Fees 2017 | 172,500 | - |
| | 582,500 | 582,500 |
| 10.02 SOD Loan: | | |
| Exim Bank Ltd. A/c #151612300033 | - | 11,500,000 |
| FAS Finance & Investment | - | 16,000,000 |
| International Leasing & Finance Services | - | 20,000,000 |
| | - | 47,500,000 |
| 10.03 Lease Liability | | |
| IDLC Finance & Investment Ltd. | 3,198,460 | 5,218,540 |
| LankaBangla Finance Ltd. | 12,551,746 | 16,612,605 |
| | 15,750,206 | 21,831,145 |
| 10.04 Other Creditors | | |
| Provident fund Loan & Interest | 4,477,309 | 3,763,668 |
| Others | 5,424,624 | 4,984,994 |
| | 9,901,933 | 8,748,662 |

| | Amount in Taka | |
|-------------------------------|------------------|------------------|
| | 31.12.17 | 31.12.16 |
| 11.00 Policy Loan | | |
| Opening Balances | 4,084,934 | 3,825,126 |
| Add: Addition during the year | 791,075 | 1,370,366 |
| | 4,876,009 | 5,195,492 |
| Less: Realize during the year | 849,468 | 1,110,558 |
| Closing Balances | 4,026,541 | 4,084,934 |

The amount represents loan paid to policy holders within the surrender value of the respective policies as per provision of Insurance Act, 2010.

12.00 INVESTMENT (AT COST)

| | | |
|--|----------------------|----------------------|
| Bangladesh Government Treasury Bond | 698,700,000 | 947,900,000 |
| Statutory Deposit With Bangladesh Bank | 15,000,000 | 15,000,000 |
| Investment in shares of Publicly Traded Shares(Note-12.01) | 97,042,101 | 100,497,937 |
| Investment in shares of Non-Listed Shares (Note-12.02) | 285,920 | 101,285,920 |
| Investment in Subsidiary (Note: 12.03) | 135,650,000 | 64,350,000 |
| Share Money Deposit (Note: 12.04) | 148,496,433 | 176,825,000 |
| | 1,095,174,454 | 1,405,858,857 |

12.01 Investment in Publicly Traded Share

Name of Securities House:

| | | |
|-------------------------------|-------------------|--------------------|
| Synthia Securities Limited | - | 21,985,417 |
| BD Sunlife Securities Limited | 94,735,424 | 76,367,571 |
| AB Investments Limited | 2,306,677 | |
| BD MSL | - | 2,144,950 |
| | 97,042,101 | 100,497,937 |

(Details of Investment in Public Traded Share has been shown in Annexure-2)

12.02 Investment in Non-Listed Company

| | | |
|------------------------------|----------------|--------------------|
| BD Thai Food & Beverage Ltd. | - | 101,000,000 |
| ICAB AMCL ISLAMIC unit Fund | 285,920 | 285,920 |
| | 285,920 | 101,285,920 |

12.03 Investment in Associate Company

| | | |
|------------------------------|--------------------|-------------------|
| BD Sunlife Securities Ltd. * | 34,650,000 | 64,350,000 |
| BD Thai Food & Beverage Ltd. | 101,000,000 | - |
| | 135,650,000 | 64,350,000 |

12.04 Share Money Deposit

| | | |
|---|--------------------|--------------------|
| Farr Ceramic Ltd. | 18,500,000 | 20,000,000 |
| BD Thai Food & Beverage Ltd. | 32,238,741 | 7,525,000 |
| BD Sunlife Securities Ltd. *(Associate) | 97,757,692 | 149,300,000 |
| | 148,496,433 | 176,825,000 |

* It represent the amount paid to Dhaka Stock Exchange Ltd. (DSE) TREC Acquisition Cost in this name of the subsidiary of Sunlife Insurance Company Ltd. Now It is Associate.

Insurance Development Regulatory Authority (IDRA) has allowed/ permitted to form this subsidiary vide its IDRA/Life 4183/2012-1567.

The money so paid to DSE by this Company shall be converted into this share Capital of the subsidiary BD Sunlife Securities Ltd. Now It is an Associate.

| | Amount in Taka | |
|---|--------------------|--------------------|
| | 31.12.17 | 31.12.16 |
| 13.00 OUTSTANDING PREMIUM | | |
| Opening Balances | 436,787,228 | 466,760,206 |
| Add: Addition during the year | 1,084,659,226 | 1,137,151,613 |
| | 1,521,446,454 | 1,603,911,819 |
| Less: Realize during the year | 1,127,194,339 | 1,167,124,591 |
| Closing Balances | 394,252,115 | 436,787,228 |
| The above amount represents premium receivable from policy holders. which has been fully realized subsiquently. | | |
| 14.00 INTEREST & DIVIDEND ACCRUING BUT NOT DUE | | |
| Break up of the above is given below : | | |
| Interest on fixed deposits with bank (Note- 14.01) | 10,795,604 | 19,977,413 |
| bank (Note- 14.02) | 20,395,044 | 27,072,667 |
| | 31,190,648 | 47,050,080 |
| 14.01 Interest On Fixed Deposits With Bank | | |
| Opening Balance as on 01.01.2017 | 19,977,413 | 39,736,015 |
| Add: Addition during the year | 28,268,658 | 44,004,900 |
| | 48,246,071 | 83,740,915 |
| Less: Received during the year | 37,450,467 | 63,763,502 |
| | 10,795,604 | 19,977,413 |
| (Details of FDR Interest has been shown in Annexure-3) | | |
| 14.02 Interest On BGTB | | |
| Opening Balance as on 01.01.2017 | 27,072,667 | 26,518,113 |
| Add: Addition during the year | 98,815,959 | 108,571,319 |
| | 125,888,626 | 135,089,432 |
| Less: Received during the year | 105,493,582 | 108,016,765 |
| | 20,395,044 | 27,072,667 |
| (Details of BGTB Interest has been shown in Annexure-4) | | |
| 15.00 ADVANCES, LOANS AND DEPOSITS | | |
| Loans against Assets Procurement(Note: 15.01) | 5,158,811 | 5,240,596 |
| Loan to Inter Company (Note: 15.02) | 1,000,000 | 1,000,000 |
| Advance Office Rent (Note:15.03) | 32,293,519 | 36,654,769 |
| Advance Income Tax | 52,038,440 | 41,259,189 |
| Advance Against Salary | 9,408,266 | 9,619,673 |
| Other Advances (Note: 15.04) | 282,571,873 | 195,631,233 |
| | 382,470,908 | 289,405,460 |
| 15.01 Loans against Assets Procurement | | |
| Motor cycle Loan | 4,658,604 | 4,740,389 |
| Bi-cycle Loan | 452,573 | 452,573 |
| Mobile Purchase Loan | 47,634 | 47,634 |
| | 5,158,811 | 5,240,596 |
| 15.02 Loan to Inter Company | | |
| BD Foods and Beverage Ltd. | 1,000,000 | 1,000,000 |
| | 1,000,000 | 1,000,000 |

| Amount in Taka | |
|-------------------|-------------------|
| 31.12.17 | 31.12.16 |
| 36,654,769 | 53,105,713 |
| 2,960,375 | 4,390,800 |
| 39,615,144 | 57,496,513 |
| 7,321,625 | 20,841,744 |
| 32,293,519 | 36,654,769 |

15.03 Advances Offices Rent

| | | |
|-----------------------------------|-------------------|-------------------|
| Opening Balance as on 01.01.2017 | 36,654,769 | 53,105,713 |
| Add : Paid during the period | 2,960,375 | 4,390,800 |
| | 39,615,144 | 57,496,513 |
| Less : Adjusted during the period | 7,321,625 | 20,841,744 |
| | 32,293,519 | 36,654,769 |

15.04 Other Advances

The above balance is made up as under :

| | | |
|---|-------------|------------|
| 01 Advance against printing stationary Expenses | 1,858,499 | 1,977,317 |
| 02 Advance against TA/DA | 2,710,455 | 4,603,628 |
| 03 Advance against Dev. Meeting Expenses/Bonus | 10,748,751 | 9,399,703 |
| 04 Advance against Furniture Purchase | 4,662,707 | 5,181,807 |
| 05 Advance against Commission/ Release | 35,475,618 | 26,177,301 |
| 06 Advance against Vehicle repairs | 5,123,233 | 5,744,673 |
| 07 Advance against Office Equipment | 1,334,540 | 1,334,540 |
| 08 Receivable from Buyer | 880,323 | - |
| 09 Advance against Annual General Meeting | | 300,000 |
| 10 Advance against Vehicle Purchases | 2,737,789 | 2,814,901 |
| 11 Unsettled Prium Receipts (PR) | 78,401,951 | 77,594,480 |
| 12 Advance against Flat Purchases | 112,419,266 | 72,293,815 |
| 13 Advances against Software & Data Processing | 365,000 | 325,000 |
| 14 Advances against Advertisement | 1,518,464 | 1,121,150 |
| 15 Advances stamp in hand | | 380,220 |
| 16 Advances against Training Expenses | 2,574,600 | 966,250 |
| 17 Advance against Garage Rent | 2,414,724 | 1,864,724 |
| 18 Advances against Air Condition | 1,062,000 | 1,555,000 |
| 19 Advances against Security Money | 400,000 | 400,000 |
| 20. Advances against Legal & Professional fees | 101,900 | 104,900 |
| 21. Advance against Entertainments | 565,920 | 575,345 |
| 22. Advance against Picnic | 1,686,727 | 1,686,727 |
| 23. Advance against Cookeries | 13,850 | 13,850 |
| 24. Advance against Tax Token | 58,022 | 325,274 |
| 25. Advance against Office Maintenances | 343,887 | 446,409 |
| 26. Advance against Electric goods | 382,251 | 382,977 |
| 27. Advance against Vehicle Fuel | 261,933 | 261,933 |
| 28. Advance against ISO Certification | 52,500 | 52,500 |
| 29. Advance against Survival Benefits | 109,405 | 109,405 |
| 30. Advance against Internet Bill | 1,934,471 | 1,933,270 |
| 31. Advance against Office Decoration | 2,264,260 | 2,284,260 |
| 32. Advance against Software Purchases | 935,000 | 935,000 |
| 33. Advance against Prize and Awards | 2,298,205 | 2,261,405 |

| | Amount in Taka | |
|--|--------------------|--------------------|
| | 31.12.17 | 31.12.16 |
| 34. Advance against Insurance Car | 213,300 | 314,355 |
| 35. Advance against Computer purchases | 1,410,090 | 1,345,090 |
| 36. Interest Receivable BD Sunlife Securities | 1,678,938 | 2,678,938 |
| 37. Receivable from BD Sunlife Securities Ltd. | 5,761,631 | 5,761,631 |
| 38. Advance against Share sale of BD Sunlife Securities Ltd. | (20,000,000) | (50,648,285) |
| 39. Advance against Sales Promotion | 2,658,429 | 3,258,794 |
| 40. Inter project Accounts | 3,403,138 | - |
| 41. Advance T & T | 366,250 | - |
| 42. BAPLAC Security | 50,000 | - |
| 43. Others | 11,333,846 | 7,512,946 |
| | 282,571,873 | 195,631,233 |
| 16.00 CASH AND CASH EQUIVALENT | | |
| Fixed Deposits with Bank (Note 16.01) | 359,322,505 | 689,820,673 |
| STD Account with Bank (Note 16.02) | 208,916,507 | 7,504,169 |
| Current Account with Bank | 299,234,724 | 246,583,057 |
| BO Accounts Balances (Notes 16.03) | 34,885 | 20,310,114 |
| Cash in hand | 376,592 | 242,055 |
| | 867,885,213 | 964,460,068 |
| 16.01 Fixed Deposit with Bank | | |
| 1 Exim Bank Ltd. | 290,638,370 | 299,909,892 |
| 3 Reliance Finance Ltd. | - | 18,000,000 |
| 5 South Bangla Agriculture & Commerce Bank | 68,684,136 | 96,930,000 |
| 7 FAS Finance and Investment | - | 20,000,000 |
| 8 Premier Leasing & Finances Limited | - | 16,503,750 |
| 14 First Lease Finance & Investment Ltd | - | 8,013,405 |
| 17 International lease & Financial Services Ltd | - | 24,580,660 |
| | 359,322,505 | 483,937,707 |
| (Details of FDR Balance has been shown in Annexure-3) | | |
| 16.02 STD Accounts with Bank | | |
| i) IPO Lead Bank Accounts | | |
| City Bank Principal Br. HVT | 8,951,567 | 8,951,567 |
| City Bank Principal Br. USD | 478,232 | 478,232 |
| City Bank principal Br. GBP | 35,011 | 35,011 |
| City Bank Principal Br. Euro | 5,001 | 5,001 |
| | 9,469,811 | 9,469,811 |
| ii) Other STD Accounts | 199,446,696 | 186,491,655 |
| | 208,916,507 | 195,961,466 |
| 16.03 BO Accounts | | |
| BD Sunlife Securities Ltd. | 7,517 | 7,358 |
| CMSL | - | 290 |
| Synthia Securities Ltd. | 6,974 | 10,843 |
| Multi Securities Ltd. | 568 | 1,018 |
| AB Investments Ltd. | 19,825 | 57,965 |
| | 34,885 | 77,474 |

| Amount in Taka | |
|----------------|----------|
| 31.12.17 | 31.12.16 |

17.00 Land and Building

| | | |
|----------------------------------|--------------------|--------------------|
| Opening Balance at Cost | 560,518,213 | 559,305,284 |
| (+) Addition during this year | 69,740,334 | 1,212,929 |
| (+) Appreciation for Revaluation | - | - |
| | 630,258,547 | 560,518,213 |
| Depreciation | | |
| accumulated at beginning | 79,040,220 | 67,748,760 |
| for the year | 2,258,292 | 11,291,460 |
| (-) Adjustment of Dep. | - | - |
| accumulated at ending | 81,298,512 | 79,040,220 |
| Written Down Value | 548,960,035 | 481,477,993 |

(Details of land & Building has been shown in Annexure-1 of Property, Plant & Equipment)

18.00 Other Fixed Assets

| | | |
|-------------------------------|--------------------|--------------------|
| Opening Balance at Cost | 403,051,602 | 354,609,493 |
| (+) Addition during this year | 105,871,189 | 49,768,659 |
| (-) Disposal | 5,500,871 | 1,326,550 |
| | 503,421,919 | 403,051,602 |
| Depreciation | | |
| accumulated at beginning | 268,932,130 | 235,769,951 |
| for the year | 43,341,879 | 34,487,179 |
| (-) Adjustment of Dep. | 5,234,275 | 1,325,000 |
| accumulated at ending | 307,039,734 | 268,932,130 |
| Written Down Value | 196,382,185 | 134,119,472 |

(Details of Other Fixed Assets has been shown in Annexure-1 of Property, Plant & Equipment)

19.00 Deferred Expenses

| | | |
|---|------------------|------------------|
| Opening Balance | 5,060,170 | 7,000,370 |
| Less : Wirtten of during the year | | |
| against interest received on BGTB in 2010 | 1,940,200 | 1,940,200 |
| | 3,119,970 | 5,060,170 |

The amount represents excess amount paid for purchasing Bangladesh Government Treasure Bond (BGTB) during the 2010.

Islam Quazi Shafique & Co.
Chartered Accountants

| | | Amount in Taka | | |
|---|----------------------|----------------------|----------------------|----------------------|
| | | 2017 | 2016 | |
| 20.00 Gross Premium Income | | | | |
| First Year Premium (Note-20.01) | | 406,736,756 | 815,664,103 | |
| Renewal Premium (Note-20.02) | | 661,933,619 | 827,444,602 | |
| Group Insurance Premium | | 15,988,851 | 20,299,016 | |
| | | 1,084,659,226 | 1,663,407,721 | |
| 20.01 First Year Premium | | | | |
| | Gross Premium | RI Premium | Net Premium 2017 | Net premium 2016 |
| Ekok Bima Premium | 114,832,279 | 3,415,568 | 111,416,711 | 95,353,804 |
| Ganamukhi Bima Premium | 52,791,576 | - | 52,791,576 | 56,684,673 |
| Is.Ekok Bima Premium | 101,644,455 | - | 101,644,455 | 71,342,411 |
| Is.Asaan Bima Premium | 39,174,793 | - | 39,174,793 | 49,351,325 |
| Lokomukhi Bima Premium | 49,004,425 | - | 49,004,425 | 60,943,602 |
| Adarsha Bima Premium | 49,289,228 | - | 49,289,228 | 53,547,860 |
| Sub-Total: | 406,736,756 | 3,415,568 | 403,321,188 | 387,223,675 |
| 20.02 Renewal Premium | | | | |
| | Gross Premium | RI Premium | Net Premium 2017 | Net Premium 2016 |
| Ekok Bima Premium | 158,096,224 | - | 158,096,224 | 161,089,137 |
| Ganamukhi Bima Premium | 113,754,109 | - | 113,754,109 | 149,893,055 |
| Is.Ekok Bima Premium | 118,710,451 | - | 118,710,451 | 108,431,495 |
| Is.Asaan Bima Premium | 122,649,875 | - | 122,649,875 | 141,168,377 |
| Lokomukhi Bima Premium | 84,500,871 | - | 84,500,871 | 109,850,754 |
| Adarsha Bima Premium | 64,222,089 | - | 64,222,089 | 53,834,161 |
| Sub-Total | 661,933,619 | - | 661,933,619 | 724,266,979 |
| Group Insurance Premium | 15,988,851 | - | 15,988,851 | 20,299,016 |
| Grand Total | 1,084,659,226 | 3,415,568 | 1,081,243,658 | 1,131,789,670 |
| 21.00 INTEREST & DIVIDEND | | | | |
| Interest Realized (Note-21.01) | | | 95,563,778 | 56,359,284 |
| Interest Accrued (Note-21.02) | | | 31,190,648 | 47,050,080 |
| Dividend Income | | | 6,253,993 | 6,074,813 |
| Profit on Associate Company & Disposal (Note 21.03) | | | 35,277,419 | - |
| | | | 168,285,838 | 109,484,177 |
| 21.01 Interest Realized | | | | |
| Bangladesh Govt. Treasury Bonds | | | 78,420,915 | 81,498,652 |
| Fixed Deposit with Bank | | | 17,473,053 | 24,027,487 |
| On STD | | | 1,513,168 | 2,771,872 |
| Interest on Policy Loan | | | - | 240,955 |
| Interest on BD Sunlife Securities Ltd. | | | (1,000,000) | 3,726,883 |
| Profit /Loss on share Sales | | | 3,439,662 | (51,692,194) |
| Interest on SOD | | | (4,283,021) | (4,214,372) |
| | | | 95,563,778 | 56,359,284 |
| 21.02 Interest Accrued | | | | |
| Fixed Deposits with Bank | | | 10,795,604 | 19,977,413 |
| Bangladesh Govt. Treasury Bond with Bank | | | 20,395,044 | 27,072,667 |
| | | | 31,190,648 | 47,050,080 |
| 21.03 Profit on Associate Company & Disposal | | | | |
| BD Sunlife Securities Ltd | | | 14,840,915 | - |
| Bd Thai Food & Bevarage Ltd | | | 9,902,766 | - |
| Share Disposal of BD Sunlife Securities Ltd. | | | 10,533,738 | - |
| | | | 35,277,419 | - |

Islam Quazi Shafique & Co.
Chartered Accountants

22.00 Other Income

| | Amount in Taka | |
|---|------------------|------------------|
| | 2017 | 2016 |
| Fine, Alteration fee, Late fee ,leave without & Re-writing fee etc. | 1,507,679 | 676,936 |
| Old Material Sale | 41,300 | 485,550 |
| Interest on Policy Loan | 293,266 | - |
| Servicing Charges | 1,910 | 15,705 |
| Sale of Tender Schedule | 8,000 | - |
| Diary & Calender Sale | 49,430 | 189,908 |
| Sale of old Assets | - | 1,540,000 |
| Premium on BGTB Sales | 5,249,410 | - |
| Miscellaneous Receipts | 165,644 | 101,556 |
| | 7,316,639 | 3,009,655 |

23.00 CLAIMS UNDER POLICIES INCLUDING PROVISION FOR CLAIMS DUE OR INTIMATED LESS REINSURANCE

| Name of project | Maturity | Death | Survival | Surrender | Group & Others | Total | Total |
|--------------------|--------------------|-------------------|--------------------|------------------|-------------------|--------------------|--------------------|
| Ekok Bima | 89,778,377 | 6,725,515 | 48,980,741 | 750,252 | 10,461,916 | 156,696,801 | 195,656,259 |
| Islamic Ekok Bima | 73,441,548 | 2,586,982 | 41,061,865 | 82,956 | - | 117,173,351 | 112,282,946 |
| Ganamukhi Bima | 158,590,112 | 4,541,247 | 24,164,258 | 149,925 | 115,587 | 187,561,129 | 148,276,308 |
| Islamic Asaan Bima | 109,460,853 | 3,901,958 | 23,366,923 | 191,578 | - | 136,921,312 | 130,675,310 |
| Lokomukhi Bima | 107,148,525 | 583,687 | 16,148,753 | - | - | 123,880,965 | 128,525,564 |
| Adrasha Bima | 3,760,328 | 677,656 | 19,833,108 | 209,133 | - | 24,480,225 | 25,028,783 |
| Total | 542,179,743 | 19,017,045 | 173,555,648 | 1,383,844 | 10,577,503 | 746,713,783 | 740,445,170 |

24.00 CREDIT FACILITY AVAILABLE FOR THE COMPANY

There was no credit facility available for the company under any contract as on 31.12.2017 except Lease Liability 1.58 Crore and other than trade credit available in the ordinary course of business.

25.00 EXPENSES INCURRED IN FOREIGN CURRENCY

The company did not incur any expenses nor did it earn any income in foreign currency on account of royalty, technical expert and professional advisory fee, interest etc. apart from those out of re-insurance treaties.

26.00 COMPANIES ACT 1994, SCHEDULE XI PART-II

| | | |
|---|--------------|--------------|
| i) Number of employees drawing salary above Tk 6,300 Per month | 885 | 1,515 |
| ii) Number of employees drawing salary below Tk 6,300 Per month | 185 | 212 |
| | 1,070 | 1,727 |

27.00 PAYMENTS / PERQUISITES TO DIRECTORS/ OFFICERS

27.01 The aggregate amount paid/ provided during the period in-respect of directors and officers of the company as defined in the securities and Exchange Rules 1987 are disclosed below:

| | Amount in Taka | | | |
|--------------------|----------------|-------------|-----------|-------------|
| | 2017 | | 2016 | |
| | Directors | Officers | Directors | Officers |
| Board Meeting Fees | 477,000 | - | 470,000 | - |
| Basic Salary | - | 89,127,889 | - | 116,972,852 |
| Other Allowances | - | 89,127,889 | - | 116,972,851 |
| | 477,000 | 178,255,778 | 470,000 | 233,945,703 |

| | |
|----------------|------|
| Amount in Taka | |
| 2017 | 2016 |

28.00 Related Party Disclosure under BAS-24

During the year ended on December 31,2017, Company entered into a transaction with related party in the normal course of business. The names of the related parties,nature of these transactions and amount thereof have been set out below in accordance with the provisions of BAS 24-"Related Party Disclosures".

| Sl. No. | Name of the Related Party | Position/Relation | Purpose | Amount paid during this year | Balance at the end December 31,2017 | Year-2016 |
|---------------|--|-------------------|---|------------------------------|-------------------------------------|--------------------|
| 1 | Zahid Maleque | Director | Rent | 15,450,992 | - | 21,144,564 |
| 2 | Rubina Hamid | Chairperson | Remuneration | 480,000 | - | 480,000 |
| 3 | Sabana Maleque | Director | Remuneration | 300,000 | - | 300,000 |
| 4 | Rahat Real Estate Ltd | Common | | | | |
| | | Director | Flat Purchase | - | 72,293,815 | 72,293,815 |
| 5 | BD Sunlife Securities Ltd. | Subsidiaries | Loan | - | - | - |
| 6 | BD Foods & Beverage Ltd.& BD Sunlife Sec. Ltd. | Common Director | Share Purchase | - | 101,000,000 | 34,650,000 |
| 7 | BD Foods & Beverage Ltd.& BD Sunlife Sec. Ltd. | Common Director | Share Money Deposit | - | 32,238,741 | 97,757,692 |
| 8 | Zahid Maleque | Director | Share Transfer of BD Sunlife Securities Ltd | 105,736,665 | - | - |
| Total: | | | | 121,967,657 | 205,532,556 | 226,626,071 |

29.00 SUBSEQUENT EVENT (BAS-10)

The Board of Director in its meeting held on 31.07.2018 recommended stock Dividend of 2 % for year 2017 subject to approved by the shareholders in Annual General Meeting 2018.

(a) There is no significant event that has occurred between the Balance Sheet date.