



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 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 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 the financial statements represent the underlying transactions and event in a manner that achieves fair presentation.

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 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 1938 (as amended in 2010), the Securities and Exchange Rules 1987 and relevant notifications issued 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 and proper returns adequate for the purpose of our audit have been received from branches not visited by us;



**SHIRAZ KHAN BASAK & CO.**  
CHARTERED ACCOUNTANTS  
*(An associate firm of D. N. Gupta & Associates)*

**R. K. TOWER (Level-10)**  
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- c) As per section 62(2) of the Insurance Act 1938 (amended in 2010), in our opinion to the best of our knowledge and belief an 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 Revenue Accounts of the Company;
- d) The information and explanations required by us have been received and found satisfactory;
- e) As per regulation 11 of part 1 of the third schedule of the Insurance Act 1938 (amended in 2010), in our opinion to the best of our information and as shown by its books, the company during the year under report has not paid any persons any commission in any form outside Bangladesh in respect of any its business re-insured abroad;
- f) The statement of Financial Position, Life Revenue and Profit and Loss and Other Comprehensive Income Accounts and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of account and returns;
- g) The expenditure was incurred for the purpose of the Company's business; and
- h) The company has complied with relevant laws and regulations pertaining to reserves.

Dated, Dhaka  
30<sup>th</sup> July 2019

**Ramendra Nath Basak, FCA**  
Partner  
Shiraz Khan Basak & Co.  
Chartered Accountants

**SUNLIFE INSURANCE COMPANY LIMITED**

**Balance Sheet**

As at December 31, 2018

CAPITAL & LIABILITIES	Note	Amount in Taka	
		31.12.2018	31.12.2017
<b>Shareholders' Capital</b>			
<b>Authorised Capital</b>			
5,00,00,000 Ordinary Shares of Tk 10 each	5	<u>500,000,000</u>	<u>500,000,000</u>
<b>Issued, Subscribed and paid-up Capital</b>			
3,57,60,690 Ordinary Shares of Tk 10 each		357,606,900	350,595,000
<b>Balance of Fund &amp; Accounts</b>			
<b>Life Insurance Fund</b>	6	2,408,602,367	3,035,958,692
<b>Amount Due to Other Persons or Bodies Carrying on Insurance Business</b>	-	-	1,444,620
<b>Flat Re-valuation Reserve (BTA)</b>	7	13,145,528	14,156,722
<b>Liabilities &amp; Provisions</b>			
<b>Estimated Liabilities in-respect of Outstanding Claims whether due or intimated</b>	8	2,798,199	4,525,752
<b>Sundry Creditors</b>	9	159,236,123	123,833,841
	<b>Total</b>	<u><b>2,941,389,117</b></u>	<u><b>3,530,514,628</b></u>

Continued

An associate firm of D. N. Gupta & Associates

**SUNLIFE INSURANCE COMPANY LIMITED**

**Balance Sheet**

As at December 31, 2018

PROPERTIES & ASSETS	Note	Amount in Taka	
		31.12.2018	31.12.2017
<b>Loan</b>			
Policy Loan	10	4,020,459	4,026,541
<b>Investment (at cost)</b>	11		
Bangladesh Govt. Treasury Bond		261,300,000	698,700,000
Statutory Deposit with B.B		15,000,000	15,000,000
Investment in Shares		377,504,591	381,474,454
		<b>653,804,591</b>	<b>1,095,174,454</b>
<b>Amount Due to Other Persons or Bodies Carrying on Insurance Business</b>	12	117,508	-
<b>Outstanding Premium</b>	13	356,187,315	394,252,115
<b>Interest &amp; Dividends Accruing but not Due</b>	14	25,893,630	31,190,648
<b>Advance, Loan &amp; Deposit</b>	15	354,939,156	382,470,908
<b>Cash and Bank Balances</b>	16		
On Fixed Deposits with Bank		386,097,887	359,322,505
On STD Account with Bank		146,447,089	208,916,507
On Current Account with Bank		281,860,942	299,234,724
BO Accounts Balances		25,134	34,885
Cash in Hand		370,112	376,592
		<b>814,801,164</b>	<b>867,885,213</b>
<b>Other Accounts</b>			
Land & Building	17	558,108,900	548,960,035
Other Fixed Assets (At cost less depreciation)	18	165,372,400	196,382,185
<b>Deferred Expenses</b>	19	1,179,770	3,119,970
<b>Stamps, Printing &amp; Stationery</b>		6,964,224	7,052,559
<b>Total</b>		<b>2,941,389,117</b>	<b>3,530,514,628</b>

The accompanying notes 1 to 29 form an integral part of the financial statements.

Company Secretary

Additional MD & CFO

Chief Executive Officer

Director

Director

Chairperson

Dated; Dhaka.  
The 30th July 2019

**Shiraz Khan Basak & Co.**

Chartered Accountants.

An associate firm of D. N. Gupta & Associates



**SUNLIFE INSURANCE COMPANY LIMITED**

**Life Revenue Account**

For the year ended December 31, 2018

Particulars	Note	Amount in Taka	
		31.12.2018	31.12.2017
<b>BALANCE OF FUND AT THE BEGINNING OF THE YEAR</b>		3,035,958,692	3,154,972,657
<b>PREMIUM LESS REINSURANCE</b>	<b>20</b>		
First year Premium (Ekok)		45,104,391	114,832,279
First year Premium (GM)		31,963,053	52,791,576
First year Premium (Is Ekok)		41,152,096	101,644,455
First year Premium (Is Asaan)		25,240,799	39,174,793
First year Premium (LM)		28,619,642	49,004,425
First year Premium (Adarsha)		54,597,441	49,289,228
		<b>226,677,422</b>	<b>406,736,756</b>
Renewal Premium (Ekok)		129,140,835	158,096,224
Renewal Premium (GM)		79,570,568	113,754,109
Renewal Premium (Is Ekok)		89,187,422	118,710,451
Renewal Premium (Is Asaan)		80,939,023	122,649,875
Renewal Premium (LM)		71,323,785	84,500,871
Renewal Premium (Adarsha)		79,441,312	64,222,089
		<b>529,602,945</b>	<b>661,933,619</b>
Group Insurance Premium		<b>50,829,217</b>	<b>15,988,851</b>
<b>Gross Premium</b>		<b>807,109,584</b>	<b>1,084,659,226</b>
<b>Less Re-Insurance Premium</b>		869,516	3,415,568
<b>Net Premium</b>		<b>806,240,068</b>	<b>1,081,243,658</b>
<b>Interest, Dividend &amp; Profit on Share Sale</b>	<b>21</b>	87,217,750	168,285,859
<b>Profit on Associate Co. &amp; Disposal</b>		-	-
<b>Other Income</b>	<b>22</b>	17,515,964	7,316,639
		<b>3,946,932,474</b>	<b>4,411,818,813</b>
<b>Prior year Adjustment</b>		-	<b>8,410,981</b>
	<b>Total</b>	<b>3,946,932,474</b>	<b>4,420,229,794</b>

First year premium, where the maximum premium paying period is			
Single		-	-
Two Years		-	-
Three Years		-	-
Four Years		-	-
Five Years		-	-
Six Years		6,411,256	-
Seven Years		796,432	-
Eight Years		3,520,224	-
Nine Years		127,894	-
Ten Years		28,869,363	48,808,410
Eleven Years		421,828	275,258
Twelve Years or Over (Including throughout life)		186,530,425	357,653,088
		<b>226,677,422</b>	<b>406,736,756</b>

Continued

An associate firm of D. N. Gupta & Associates

**SUNLIFE INSURANCE COMPANY LIMITED**  
**Life Revenue Account**

For the year ended December 31, 2018

Particulars	Note	Amount in Taka	
		31.12.2018	31.12.2017
<b>CLAIMS UNDER POLICIES (INCLUDING PROVISION FOR CLAIMS DUE OR INTIMATED), LESS RE-INSURANCE</b>			
	23		
By Maturity		717,598,288	542,179,743
By Death		17,458,709	19,017,045
By Survival		192,219,675	173,555,648
By Surrender		2,208,775	1,383,844
Group Insurance		22,710,881	9,867,101
By Others		281,372	710,402
		<b>952,477,700</b>	<b>746,713,783</b>
<b>EXPENSES OF MANAGEMENT</b>			
<b><u>Commission :</u></b>			
a) Commission to Insurance Agents(Less that on Re-Insurance)		80,926,908	120,290,847
b) Allowances and Commission(Other than Commission including in Sub-item (a) Preceding)		34,682,960	51,553,220
		<b>115,609,868</b>	<b>171,844,067</b>
Salaries etc.(other than to agents and those contained in the allowance and commission)		160,268,610	178,255,778
Traveling and conveyance		60,961,065	72,785,449
Directors' Fees		517,000	477,000
Auditors' Fees		204,500	202,500
Medical Fees		515,513	454,405
Actuarial Fees		680,768	-
Insurance Policy Stamps		2,875,743	3,973,735
Advertisement and publicity		1,563,758	2,155,375
Printing and stationery		4,154,181	4,513,770
Legal & Professional Fees		962,109	799,165
Office Rent		44,164,944	47,051,861
Bank Charges		1,602,582	2,147,597
Repairs & Maintenance on Others		9,480,216	14,405,858
Car Repair & Maintenance		14,187,770	12,684,299
Car Fuel Expenses		15,300,011	13,824,318
Corporate Social responsibility		236,000	297,925
Papers & Periodicals		91,456	213,131
Telephone, Mobile,Internet and Fax etc.		4,535,834	4,578,531
Training & Recruitment Exp.		18,500	165,420
Fees, Subscription and Donation		938,255	723,995
		<b>323,258,815</b>	<b>359,710,112</b>

continued

An associate firm of D. N. Gupta & Associates

**SUNLIFE INSURANCE COMPANY LIMITED**  
**Life Revenue Account**  
For the year ended December 31, 2018

Particulars	Note	Amount in Taka	
		31.12.2018	31.12.2017
	B/F	<b>323,258,815</b>	<b>359,710,112</b>
Entertainment		2,801,962	2,836,758
Insurance Premium (General)		43,654	338,604
Postage & Telegrams		402,866	403,738
Development Expenses		41,939,553	38,531,478
Company Registration Fees		1,844,363	3,975,912
Forms & Stamps		93,071	204,420
AGM Expenses		-	591,700
Deffered Expenses(written off)		1,940,200	1,940,200
Agent balance(written off)		-	-
Credit Rating Fee		133,750	143,750
Gas Water & Electricity		5,998,206	7,235,693
Cleaning & Washing		-	-
Trade Licence		37,771	9,973
Group Insuranec Premium		-	594,100
Share Transfer, Listing & Membership fees (CDBL)		-	111,478
Contribution to Employees P.F		3,805,022	3,979,766
Other expenses		546,083	516,597
		<b>382,845,316</b>	<b>421,124,279</b>
<b>Other Expenses:</b>			
Depreciation on Fixed Assets		43,048,808	44,588,973
Fair Value Change Account		37,336,515	-
Income Tax		-	-
		<b>1,531,318,207</b>	<b>1,384,271,102</b>
Stock Dividend		7,011,900	-
<b>Balance of fund at the end of the year</b>		<b>2,408,602,367</b>	<b>3,035,958,692</b>

The accompanying notes 1 to 29 form an integral part of the financial statements.



Company Secretary



Additional MD & CFO




Chief Executive Officer



Director



Director



Chairperson

Dated; Dhaka.  
The 30th July 2019

**Shiraz Khan Basak & Co.**  
Chartered Accountants.

An associate firm of D. N. Gupta & Associates

Life Revenue Account

**SUNLIFE INSURANCE COMPANY LIMITED**  
**Cash Flow Statement**  
As at December 31, 2018

Particulars	Amount in Taka	
	31.12.2018	31.12.2017
<b>Cash Flow From Operating Activities</b>		
Collection from Premium	844,304,868	1,123,778,771
Other Income Received	17,515,964	15,727,620
Payment for Claim	(954,205,253)	(753,986,882)
Payment for Re-insurance, Management Exps. & Others	(501,745,703)	(584,613,914)
<b>Net Cash from Operating Activities</b>	<b>(594,130,124)</b>	<b>(199,094,405)</b>
<b>Cash Flow From Investing Activity</b>		
Investment Made	414,594,481	435,299,605
Acquisition of Fixed Assets	(22,199,082)	(175,344,922)
Loan Against Policies Paid	6,082	58,393
Other Loan realized/ Paid	29,354,444	(91,125,248)
Interest & Dividend Received	92,514,768	184,145,291
<b>Net Cash used in investing activities</b>	<b>514,270,693</b>	<b>353,033,119</b>
<b>Cash Flow From Financing Activities</b>		
Payment of Refund Warrant to the Unsuccessfull share applicant	-	-
Payment of SOD/ realized of SOD	-	(47,500,000)
<b>Net Cash from Financing Activities</b>	<b>-</b>	<b>(47,500,000)</b>
Net increase/decrease in cash and cash equivalents	(79,859,430)	106,438,714
Cash and cash equivalents at the beginning of the period	508,562,707	402,123,993
<b>Cash and cash equivalents at the end of the period</b>	<b>428,703,277</b>	<b>508,562,707</b>
<b>Note:</b>		
<b>Closing Cash &amp; Bank Balance :</b>		
Cash & Bank Balance as shown in the Balance Sheet	814,801,164	867,885,213
Less: Investment as FDR with Banks	386,097,887	359,322,506
	<b>428,703,277</b>	<b>508,562,707</b>

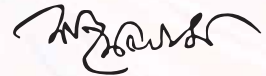
The accompanying notes 1 to 29 form an integral part of the financial statements.



Company Secretary



Additional MD & CFO



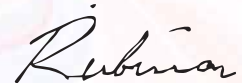
Chief Executive Officer



Director



Director



Chairperson

Dated; Dhaka.  
The 30th July 2019

**Shiraz Khan Basak & Co.**  
Chartered Accountants.

An associate firm of D. N. Gupta & Associates