

GLOBAL INSURANCE LIMITED

AL-RAZI COMPLEX (12th FLOOR)

166-167, SHAHEED SYED NAZRUL ISLAM SARANI

PURANA PALTAN, DHAKA-1000

GLOBAL INSURANCE LIMITED

Un-audited Financial Statements

For the period ended 30 June 2021

GLOBAL INSURANCE LIMITED
Statement of Financial Position (Un-Audited)
As at ended 30th June, 2021

Capital & Liabilities	Notes	Amount in Taka		Property & Assets	Notes	Amount in Taka	
		June - 2021	2020			June - 2021	2020
Share Capital							
Authorised Capital							
100,000,000 ordinary shares of Tk.10 each		<u>1,000,000,000</u>	<u>1,000,000,000</u>				
Issued, Subscribed & Paid up Capital							
4,05,51,763 Ordinary Shares of Tk.10 each	10	405,517,630	405,517,630	Government Treasury Bond	3	25,000,000	25,000,000
				Investments in Shares (Fair Market Value)	4	6,278,000	5,516,000
				Interest Receivable	5	8,505,844	9,705,770
Reserve or Contingency Account:							
Reserve for Exceptional Losses	11	65,635,412	57,635,412	Amount due from other persons or Bodies Carrying on Insurance Business	6	149,304,792	148,861,760
General Reserve		4,000,000	4,000,000				
Retained Earnings	12	88,954,300	49,970,338				
		<u>158,589,712</u>	<u>111,605,750</u>				
Balance of Fund and Account:	13						
Fire Insurance Business		48,579,883	42,265,679	Sundry Debtors	7	296,781,983	274,864,260
Marine Cargo Insurance Business		133,835,779	115,227,458				
Marine Hull Insurance Business		-	1,532,748				
Motor Insurance business		34,275,667	32,271,574	Cash and Bank Balances	8		
Miscellaneous Insurance Business		8,507,489	9,547,408	Cash in Hand		1,274,228	1,025,060
		<u>225,198,817</u>	<u>200,844,867</u>	Balance with Banks		69,423,791	47,725,360
Premium Deposit	14	68,225,479	22,744,053	FDR with Banks		500,000,000	445,500,000
Loans & Overdraft	15	23,156,973	38,352,689			<u>570,698,019</u>	<u>494,250,430</u>
Deferred Tax Liability	16	5,326,313	6,234,413				
Liabilities and Provisions:				Other Accounts:			
Estimated Liability in respect of outstanding claims, whether due or intimated	17	54,293,134	55,020,438	Fixed Assets (At cost less accumu. depreciation)	9	102,666,098	101,605,840
Amounts due to other Persons or Bodies carrying on Insurance Business	18	96,938,500	73,400,693	Stock of Stationery		772,404	1,447,870
Sundry Creditors	19	123,429,008	148,801,291	Stamp in Hand		668,425	1,269,850
		<u>274,660,642</u>	<u>277,222,422</u>			<u>104,106,928</u>	<u>104,323,570</u>
Total		<u>1,160,675,567</u>	<u>1,062,521,823</u>	Total		<u>1,160,675,567</u>	<u>1,062,521,823</u>
Net Asset Value (NAV) Per Share		13.91	12.75				



Chief Financial Officer (C.F.O.)



Company Secretary



Chief Executive Officer (In-charge)



Director



Chairman

GLOBAL INSURANCE LIMITED
Profit and Loss Appropriation Account (Un-Audited)
for the period ended 30th June, 2021

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		June -2021	June -2020			June-2021	June -2020
Provision for Income Tax	20	21,306,166	23,309,731	Balance brought forward from last year	12	49,970,338	38,850,894
Deferred Tax expenses	16	(908,100)	(70,815)	Net profit for the year brought down		67,382,028	62,391,823
Reserve for Exceptional Loss		8,000,000	-				
Balance transferred to the Balance Sheet		88,954,300	78,003,801				
		<u>117,352,366</u>	<u>101,242,717</u>			<u>117,352,366</u>	<u>101,242,717</u>


Chief Financial Officer(C.C.)


Company Secretary


Chief Executive Officer (In-charge)


Director


Chairman

GLOBAL INSURANCE LIMITED
Statement of Comprehensive Income (Un-Audited)
for the period ended 30th June, 2021

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		June -2021	June -2020			June-2021	June -2020
Expenses of Management (Not applicable to any particular Fund or Account)				Interest Income (Not applicable to any particular Fund or Account)	27	11,304,116	10,992,675
Advertisement & Publicity		524,599	108,572	Dividend Income		334,147	498,300
Donation & Subscription		-	1,225,000	Return from PF		1,019,101	
Audit Fees		46,000	129,188				
Legal & Professional Fees		3,367,725	368,300				
Depreciation		4,705,495	4,840,645			12,657,364	11,490,975
Interest on loan		1,123,627	3,213,602				
Registration Renewal Fees		1,436,707	1,542,655	Profit transferred from :			
Directors Fee	26	1,987,200	542,800	Fire Insurance Revenue Account		786,243	6,600,163
Meeting, Conference & AGM expenses		1,760,947	934,964	Marine Insurance Revenue Account		59,798,601	49,148,614
Diminution Value of Share		(762,000)	2,314,759	Motor Insurance Revenue Account		16,276,289	11,910,624
		14,190,300	15,220,484	Misc. Insurance Revenue Account		(7,946,168)	586,932
						68,914,964	68,246,332
Provision for profit Bonus			2,125,000				
Balance for the period carried to Profit & Loss App. A/C		67,382,028	62,391,823				
		81,572,328	79,737,307			81,572,328	79,737,307
Earning per Share (Restated)	28	1.16	0.97				


Chief Financial Officer(C.C.)


Company Secretary


Chief Executive Officer(In-charge)


Director


Chairman

GLOBAL INSURANCE LIMITED
Consolidated Revenue Account (Un-Audited)


for the period ended 30th June, 2021

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		June 2021	June -2020			June 2021	June -2020
Claims under policies less Re-insurances				Balance of account at the beginning of the year		200,844,867	167,800,685
Paid during the year		14,786,927	3,292,092	Premium less Re-insurances	24	311,940,959	266,695,114
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		54,293,134	38,148,858	Commission on Re-insurances		20,427,339	17,357,262
		69,080,061	41,440,950				
Less: Claims outstanding at the end of the previous year		55,020,438	32,554,199				
		14,059,623	8,886,751				
Agent Commission		31,498,490	48,492,964				
Expenses of Management	25	193,541,270	144,269,083				
Profit transferred to profit & loss account		68,914,964	68,246,332				
Balance of fund account at the end of the year as shown in the balance sheet:							
Reserve for unexpired risks being 100% for Marine Hull & 40% for other net premium income of the year		225,198,817	181,957,931				
		<u>533,213,165</u>	<u>451,853,061</u>			<u>533,213,165</u>	<u>451,853,061</u>


 Chief Financial Officer(C.C.)


 Company Secretary


 Chief Executive Officer(In-charge)


 Director


 Chairman

GLOBAL INSURANCE LIMITED
Fire Insurance Revenue Account (Un-Audited)
for the period ended 30th June, 2021

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		June-2021	June-2020			June-2021	June-2020
Claims under policies less Re-insurances				Balance of account at the beginning of the year		42,265,679	34,481,828
Paid during the year		4,745,810	115,011	Premium less Re-insurances	24	68,617,608	63,010,268
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		23,599,742	19,494,668	Commission on Re-insurances		11,096,627	11,268,679
		28,345,552	19,609,679				
Less: Claims outstanding at the end of the previous year		22,707,813	16,839,422				
		5,637,739	2,770,257				
Agent Commission		10,429,902	17,310,912				
Expenses of Management	25	56,546,147	48,254,879				
Profit transferred to profit & loss account		786,243	6,600,163				
Balance of fund account at the end of the year as shown in the balance sheet:							
Reserve for unexpired risks being 40% of net premium income of the year		48,579,883	33,824,564				
		121,979,914	108,760,775			121,979,914	108,760,775


Chief Financial Officer(C.C.)


Company Secretary


Chief Executive Officer(In-charge)


Director


Chairman

GLOBAL INSURANCE LIMITED
Marine Insurance Revenue Account (Un-Audited)
for the period ended 30th June, 2021


Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		June -2021	June -2020			June -2021	June -2020
Claims under policies less Re-insurances				Balance of account at the beginning of the year		116,760,206	93,737,416
Paid during the year		4,560,309	458,097	Premium less Re- insurances	24	188,639,190	147,741,282
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		19,113,812	8,302,216	Commission on Re-insurances		5,993,657	4,161,351
		23,674,121	8,760,313				
Less: Claims outstanding at the end of the previous year		22,150,631	7,687,972				
		1,523,490	1,072,341				
Agent Commission		17,887,561	22,680,036				
Expenses of Management	25	98,347,622	66,773,836				
Profit transferred to profit & loss account		59,798,601	49,148,614				
Balance of account at the end of the year as shown in the balance sheet:							
Reserve for unexpired risks being 40% of net premium income on marine cargo and 100% of net premium income on marine hull of the year:							
Marine Cargo		133,835,779	105,965,221				
		133,835,779	105,965,221				
		311,393,053	245,640,049			311,393,053	245,640,049


Chief Financial Officer(C.C.)


Company Secretary


Chief Executive Officer (In-charge)


Director


Chairman

GLOBAL INSURANCE LIMITED
Miscellaneous Insurance Revenue Account (Un-Audited)
for the period ended 30th June, 2021

Particulars	Notes	Amount in Taka				Particulars	Notes	Amount in Taka			
		June - 2021			June - 2020			June - 2021			June - 2020
		Motor	Misc	Total	Total			Motor	Misc	Total	Total
Claims under policies less Re-insurances						Balance of account at the beginning of the year		32,271,574	9,547,408	41,818,982	39,581,441
Paid during the year		5,378,910	101,898	5,480,808	2,718,984						
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		8,009,580	3,570,000	11,579,580	10,351,974	Premium less Re-insurances	24	45,349,699	9,334,462	54,684,161	55,943,564
		13,388,490	3,671,898	17,060,388	13,070,958	Commission on Re-insurances		43,049	3,294,006	3,337,055	1,927,232
Less: Claims outstanding at the end of the previous year		6,522,109	3,639,885	10,161,994	8,026,805						
		6,866,381	32,013	6,898,394	5,044,153						
Agent Commission		252,677	2,928,350	3,181,027	8,502,015						
Expenses of Management	25	19,993,309	18,654,192	38,647,501	29,240,367						
Profit transferred to profit & loss account		16,276,289	(7,946,168)	8,330,120	12,497,556						
Balance of fund account at the end of the year as shown in the balance sheet:											
Reserve for unexpired risks being 40% of net premium income of the year		34,275,667	8,507,489	42,783,155	42,168,146						
		<u>77,664,322</u>	<u>22,175,876</u>	<u>99,840,198</u>	<u>97,452,237</u>			<u>77,664,322</u>	<u>22,175,876</u>	<u>99,840,198</u>	<u>97,452,237</u>


Chief Financial Officer (C.F.O.)


Company Secretary


Chief Executive Officer (In-charge)


Director


Chairman

GLOBAL INSURANCE LIMITED
Statement of Cash Flows(Un-Audited)
for the period ended 30th June, 2021

	Amount in Taka	
	June - 2021	June - 2020
A) Cash Flows from Operating Activities:		
Premium Collection & Other Receipts	452,632,518	396,283,495
Payments of Mgt. Exp., Commission, Re-Ins & Claim & Others	(322,823,317)	(310,347,588)
Tax paid	(15,069,250)	(3,897,556)
Net Cash Flows from Operating Activities	114,739,951	82,038,351
B) Cash Flows from Investing Activities:		
Acquisition of fixed assets	(5,765,753)	(2,115,006)
Disposal of fixed assets	-	-
Share Sale	-	-
Investment in Share	-	-
Net Cash Flows from Investing Activities	(5,765,753)	(2,115,006)
C) Cash Flows from Financing Activities:		
Dividend Paid	(16,207,269)	-
SOD loan	(14,499,680)	(6,196,542)
Car Loan	(696,036)	(340,702)
Margin Loan	-	(398,641)
Interest on SOD Loan	(1,123,627)	(3,213,602)
Net Cash Flows from Financing Activities	(32,526,612)	(10,149,487)
D) Net increase in Cash & Bank balances for the year : (A+B+C	76,447,586	69,773,858
E) Opening Cash and Bank balances	494,250,432	353,326,098
F) Closing Cash and Bank balances : (D+E)	570,698,019	423,099,956
 Net Operating Cash Flows per share (NOCFPS) (Restated)	 2.83	 2.02

				
Chief Financial Officer(C.C.)	Company Secretary	Chief Executive Officer(In-charge)	Director	Chairman

GLOBAL INSURANCE LIMITED
Statement of changes in Equity (Un-Audited)
for the period ended 30th June, 2021


Amount in Taka

Particulars	Share Capital	Reserve for Exceptional Losses	General Reserve	Retained Earnings	Total
Balance as on 01.01.2020	386,207,270	45,135,412	4,000,000	38,850,894	474,193,576
Stock Dividend	-			-	-
Cash Dividend					
Net Profit after tax				39,082,092	39,082,092
Reserve for Exceptional Loss					-
Balance as on 30.06.2020	386,207,270	45,135,412	4,000,000	77,932,986	513,275,668
Balance as on 01.01.2021	405,517,630	57,635,412	4,000,000	49,970,338	517,123,380
Stock Dividend	-			-	-
Cash Dividend				-	-
Net Profit after tax				46,983,962	46,983,962
Reserve for Exceptional Loss		8,000,000		(8,000,000)	-
Balance as on 30.06. 2021	405,517,630	65,635,412	4,000,000	88,954,300	564,107,342


Chief Financial Officer(C.C)


Company Secretary


Chief Executive Officer(In-charge)


Director


Chairman

GLOBAL INSURANCE LIMITED
Notes to the Financial Statements
For the period ended June 30, 2021

1. INTRODUCTION:

1.01 Legal Status:

The GLOBAL INSURANCE LIMITED was incorporated as a public company limited by shares in Bangladesh vide certificate on-C-40102(2070)/2000 dated April 23, 2000 under the Companies Act, 1994 and commenced its operation as per Insurance Act, 2010. The certificate of commencement of business was obtained from the Registrar of Joint Stock Companies, Bangladesh. The Company is listed with Dhaka Stock Exchange Ltd. as a Publicly Traded Company.

1.02 Address of Registered Office and Principal Place of Business :

The registered office of the Company is situated in Bangladesh. Its principal business office is located at Al-Razi Complex (12th Floor), 166-167, Shahid Syed Nazrul Islam Sarani, Purana Paltan, Dhaka-1000, Bangladesh. The operation of the Company is being carried out through its 58 branches located different place in Bangladesh.

1.03 Principal Activities of the Company:

The Principal objects of the company is to carry out all kinds of insurance, guarantee and indemnity business other than life insurance business.

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER RELEVANT INFORMATION:

2.01 The Company has adopted relevant International Financial Reporting Standards (IFRSs) with reference to disclosures of accounting policies and notes to the financial statements.

2.02 Basis of Accounting:

The Financial Statement have been prepared on the basis of going-concern concept under historical cost convention in accordance with International Financial Reporting Standards.

2.03 Basis of Presentation:

The Financial Position has been prepared in accordance with the regulations as contained in part I of the First Schedule and as per Form 'A' as set forth in part II of that Schedule and the revenue account of each class of general insurance business has been prepared in accordance with the regulations as contained in part I of the Third Schedule and as per Form 'F' as set forth in part II of that Schedule of the Insurance Act, 2010. The Classified summary of the assets is prepared in accordance with Form "AA" of part II of the First Schedule of the said Act.

2.04 Reporting Period :

The financial Statements of the company cover from 1st January -2021 to 30 June 2021 and followed consistently.

2.05 Going Concern:

The financial statements of the entity have been prepared by the management considering the entity as a going concern and the entity is optimistic to continue its business operation for the foreseeable future.

2.06 Branch Accounting:

The Company has 58 branches without having any overseas branch up to ended June 30, 2021. The financial statements of branches are maintained at the Head office level. Only Petty cash books are maintained at the branch for meeting day to day expenses. During June, 2021 through the operation of 59 offices (including Head Office) the gross premium income earned by the Company was to Tk.440,708,621 including Public Sector business of Tk.52,083,718 after ceding for re-insurance premium, the net premium during the period amounted to Tk.311,940,959 and after charging direct expenses there from the net underwriting profit stood at Tk.68,914,964.

2.07 Statement of Cash Flows:

Statement of Cash Flows is prepared in accordance with IAS 7: "Statement of Cash Flows". The Statement of Cash Flows shows the structure of and changes in cash and cash equivalents during the financial year. Cash and Cash equivalents include notes and coins on hand, unrestricted balance held with the commercial banks. It is broken down into operating activities, investing activities and financing activities. The direct method is used to show the cashflows operating activities. According to IAS 7: "Statement of Cash Flows", Cash comprises cash in hand and cash equivalents are short term, highly liquid investment that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Considering the provisions of IAS 7 and IAS 1, cash in hand, fixed deposits and bank balances have been considered as cash and cash equivalents.

2.08 Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation as per IAS 16: "Property, Plant & Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties, interest and non refundable taxes.

2.09 Depreciation on Fixed Assets:

Depreciation on Fixed Assets are charged on diminishing balance method at rates varying from 2.5% to 30% depending on the estimated useful life of the Assets. Depreciation on additions to Fixed Assets are charged from the date of acquisition and depreciation is charged to the date of disposal of assets. Gain or loss arising on the disposal or the retirement of asset is determined as the difference between the sale proceeds and the carrying amount of the asset and recognised in the profit and loss account.

2.10 Impairment of Assets:

As required by IAS-36 'Impairment of Assets' the company carried out an impairment test at the end of reporting period to ascertain impairment loss relating to an asset to recognise and disclose the same in the financial statements. But no impairment loss has been arisen in such test to recognise in the financial statements.

2.11 Public Sector Business:

The Company's share of Public Sector business for 1st & 2nd quarters for the period from July to December 2021 received from Sadharan Bima Corporation and other insurance companies has been incorporated in the Company's account for the period ended 30th June, 2021. This system of accounting of public sector business is being followed consistently.

2.12 Statement of Changes in Equity:

The statement of changes in equity is prepared in accordance with IAS 1: "Presentation of Financial Statements".

2.13 Revenue Recognition:

The revenue is recognized after satisfying the relevant condition for revenue recognition as provided in IFRS 15: "Revenue from contracts with customers" in compliance with IFRS 4 "Insurance Contract". Detailed income wise policy for revenue recognition is given as under:

a) Premium Income:

The total amount of premium earned on various classes of insurance business underwritten during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Sadharan Bima Corporation, 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 and while preparing the final statements 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 the accounts in order to arrive at the net underwriting profit for the year.

b) Interest on Statutory Investments:

Interest on statutory investment is amounted for on accrual basis.

c) Gain or Loss on sale of Shares and Debentures:

Gain or Loss on sale of shares and debentures and dividend income during the year have been shown in the Profit and Loss Account and the tax relief as well as the concession rate of tax as availed under the existing income tax law have been given effect in the financial statements.

2.14 Management Expenses:

Management expenses as charged to Revenue Accounts amount of Tk.193,541,270 is approximately 43.92% of gross premium of Tk 440,708,621. The expenses have been apportioned 29.22% to Fire, 50.81% to Marine, 10.33% to Motor and 9.63% to Miscellaneous business as per management decision. The limit of management expenses as per insurance rule is followed.

2.15 Risk Analysis:

Risk analysis for insurance business is difficult to estimate the uncertainty in taking and managing the risk by chronological identification of unascertained risk, mitigating approach of risk and continuing efforts to equate the risk at reasonable level. This, inter alia, includes

(a) Insurance Product Risk:

In non-life insurance business, the product selection is one of the important factors for the company. Product with less uncertainty with lower cost can facilitate to secure more risk coverage. Accordingly, high risk is more relate to the capital strength and credit rating of the company. Necessary provision for un-expired risk @ 40% of net premium income on all business except marine Hull Insurance for which provision have been made @ 100% on net premium income.

- (b) Operational Risk:
This is in association of all departmental effort within the company to ensure the sufficient coverage for the uncertainty of particular policy selection. It varies in accordance with the nature of products offered to the insured. Guideline for selection of offered product and monitoring the same are effective when fencing the risk at the level of estimate.
- (c) Strategic Market Risk:
This indicates to identify and quantify the inherent risk of the products for the insured in competitive market. Product with low risk should be encouraged to minimize risk.
- (d) Underwriting Risk:
This is involved in loss events coverable under contract or agreement with the insured and the volume or size of the coverable loss. It relates to selection, pricing, monitoring and technical provision. However, risk with excessive volume is jointly share by two or more insurers. In such circumstances, non-life insurance business with different products has been carried out with approved guideline.
- (e) Reinsurance Risk:
Reinsurance has an influence basing the capital strength and rating aspects. Treaty limit is outline by the amount of risk, which can be ceded to other re-insurance. It depends on the nature of risk to be taken by the company. As such, technical provision has been estimated by way of covering the reasonable and probable obligations with respect to claims for known or un-known uncertainty.
- (f) Investment Risk:
This relates to market, credit and liquidity of the company and as such, investments consist of assets covering the technical provisions and shareholders' equity. Accordingly, investment plan has been designed in such manner to accommodate inherent risk.
- (g) Liquidity Risk:
This indicates to pay the claim on demand and the company needs to liquidate or convert assets to meet the obligation as and when arise.
- (h) Credit Risk:
The company follows IDRA instructions with respect to issuing of policies, that is, policies were not issued on credit.
- (f) Default Risk:
This indicates default in paying off the claims on demand when third party involved in such approach. At the time, the company needs to have sufficient liquidity to pay off the claims on demand and to fulfill the contractual obligation.
- (f) Legal and Regulatory Risk:
There is legal and regulatory obligation to follow and abide by the restricted rules and regulation in carrying out the business, which do not conform to the competitive market for procuring business. As such, non- compliance to rules and regulation may invite risk to the employment of the company.
- 2.16 Balance of Fund Account:
Before arriving at the surplus of each class of business necessary provision for un-expired risk have been created at the rate of 40% of all business except on Marine Hull business for which the provision was made @ 100% of the total net premium for the period of March 2021
- 2.17 Provision for Income Tax:
Provision for Income Tax have been made as per Income Tax Ordinance 1984 and Financial act-2020 on taxable income of the company.
- 2.18 Deferred Tax
The company has recognised deferred tax as per IAS-12 "Income Taxes". Accordingly, deferred tax liability/assets is accounted for all temporary differences arising between the tax base of the assets and liabilities and their carrying value for financial reporing purpose. Deferred tax is computed at the applicable tax rate on the company.
- 2.19 Reserve for Exceptional Loss:
As per para 6 of the 4th schedule, to meet the exceptional losses, company has to sets aside upto 10% (ten 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. The Company made Reserve for exceptional loss Tk.80,00,000/- during the period.

2.20 General Reserve

The Company creates a general reserve from the year 2007 for an amount of Tk. 4,000,000 on profit to avoid future contingency.

2.21 Employees Benefit

The Company operates a contributory provident fund for its permanent employees from the year 2008 which is approved by the National Board of Revenue. The fund is administered by a board of trustees and funded by equal contribution from the company and the employees. The fund is invested separately from the company's assets.

2.22 Earning per Share (EPS)

The company has calculated earning per share (EPS) in accordance with IAS-33 as adopted by ICAB "Earning per Share" which has been shown on the face of Profit and Loss Account and the computation of EPS is stated in Note no. 28.

a) Basic Earnings:

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

b) Basic Earnings per Share:

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

c) Diluted Earnings per Share:

This has been calculated by dividing the basic earning previous year by the weighted average number of ordinary shares outstanding during the year.

2.23 Outstanding Premium:

The outstanding premium appearing in the accounts represents only the amount which relates to the accounting period in the form of cash and cheques in hand and in line with the system followed by the company.

2.24 Use of Estimate:

Preparation of financial statements in conformity with International Accounting Standards (IASs) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities if any at the date of the financial statements, and revenues and expenses during the year reported. Actual result could differ from those estimates. Estimates are used in accounting for certain items such as depreciation, outstanding claims, taxes, reserves etc.

2.25 Basis of Recognition of Income in Respect of Premium Deposits:

Amounts received against Cover notes, which have not been converted into policy are recognised as Income before the Cover notes and are converted into policy on expiry of period not exceeding six months in accordance with the Controller of Insurance Circular.

2.26 Lease:

Initial application of IFRS-16 Leases came into effect on 1st January 2019. IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets.

In compliance with the standard, the management of the company has elected to use the recognition exemptions in the standard for short-term leases and leases of low value items. In such cases the lease are accounted for as short term leases and the lease payments associated with them are recognized as expenses for short term lease.

2.27 Investment in Shares:

Investment in shares is recognised at cost and subsequently measured at fair value and any change in the fair value is recognised in the profit and loss account for the period in which it arises as per IFRS-9 "Financial Instruments".

2.28 Components of the Financial Statements:

As per Insurance Act-2010 section 27 and following the IAS-1 "Presentation of Financial Statements" (as applicable), the company's complete set of financial statements includes the following components:

- a) Statement of Financial position (Balance Sheet) as at June 30, 2021.
- b) Profit and Loss Appropriation Account for the period ended June 30, 2021.
- c) Statement of Comprehensive Income (Profit and Loss Account) for the period ended June 30, 2021.
- d) Revenue Accounts for specific class of business for the period ended June 30, 2021.
- e) Statement of Cash Flows for the period ended June 30, 2021.
- f) Statement of Changes in Equity for the period ended June 30, 2021.
- g) Notes to the financial statements and significant accounting policies as at & for the period ended June 30, 2021.

2.29 General:

- a) Figures in the financial statements are presented in Bangladeshi Taka which is the companies functional and presentational currency.
- b) Figures have been rounded off to the nearest Taka.
- c) Previous year's figures have been rearranged whenever considered necessary to ensure comparability with the current year.

3. Statutory Deposits: Bangladesh Govt. Treasury Bond

Amount in Taka	
Jun-21	2020
25,000,000	25,000,000

The amount has been kept in Bangladesh Bank as Statutory Deposits as per requirement under section 23 of the Insurance Act, 2010 and the deposits are not permissible for encashment without prior permission of the IDRA. Accrued interest on such bond amount upto June 30, 2021 has been accounted for.

Durations	Issue date	Maturity date	Bank name	Rate (%)	Taka June 21	Taka 2020
10 Years	16.07.2011	16.07.2024	Prime Bank Ltd.	11.59	9,000,000	9,000,000
10 Years	13.03.2011	13.03.2023	Mercantile Bank Ltd.	12.10	16,000,000	16,000,000
Total					25,000,000	25,000,000

4 Investments In Share(Fair Market Value)

6,278,000	5,516,000
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Following shares were investment account of the Company with the stock broker. Details of which including cost price, market price etc. are shown follow

Name of the Company	No of Share	Cost Price per share	Total Cost	Total Market Price as on 30.06.2021	Difference(Un realised Loss)
Fareast life insurance Ltd.	15,000	80	1,195,741	948,000	(247,741)
Green Delta Mutual Fund	400,000	10	4,000,000	3,200,000	(800,000)
Pubali Bank Ltd.	50,000	54	2,689,244	1,300,000	(1,389,244)
S Alam Cold Rolled Steels Ltd.	25,000	77	1,927,676	830,000	(1,097,676)
Total	490,000		9,812,662	6,278,000	(3,534,662)

Fair market price (6,278,000/-) has been taken into consideration, which unrealised loss (Tk.3,534,662/-) has been adjusted with earlier reserve.

4.01 Changes In fair value of of the shares:

Fair Value of Share		6,278,000	5,516,000
Cost Value		9,812,662	9,812,662
Fair Value Reserve during the period	Total	(3,534,662)	(4,296,662)
Fair value reserve opening		4,296,662	19,800,369
Less Loss adjustment against Sale of Share			14,481,223
	Total	4,296,662	5,319,146
Adjustment during the period		(3,534,662)	(4,296,662)
Unrealised Gain/loss for Changes of fair Value of share	Total	762,000	1,022,484

Notes to the financial statements
for the period ended June 30, 2021

5. **Interest Receivable:**

Opening Balance
Add: Interest income during the period

Less: Interest received during the period
Closing Balance

Total

Amount in Taka	
Jun-21	2020
9,705,778	8,778,367
11,304,116	26,040,962
21,009,894	34,819,329
12,504,050	25,113,551
<u>8,505,844</u>	<u>9,705,778</u>

6. **Amount due from other persons or bodies carrying on insurance business:**

These represent the amount receivable from insurance companies on account of co-insurance premium and claim as at June 30, 2021

Amount due from Shadharon Bima Corporation :

Opening Balance
Add, Receivable from SBC against PSB
Add, Receivable from SBC against Claim

Less, Adjusted with SBC Account

Total

148,861,767	148,861,767
6,448,155	11,785,659
443,025	-
155,752,947	160,647,426
6,448,155	11,785,659
<u>149,304,792</u>	<u>148,861,767</u>

7. **SUNDRY DEBTORS:**

Advance against office rent
Advance against other parties
Deposit clearing
Advance against salary
Collection control A/C
Rent receivable
MBL Securities Limited

Total

7,008,420	5,604,490
30,000	7,581,113
108,273,528	65,485,032
1,208,304	154,670
178,691,417	194,563,367
1,175,240	1,347,840
395,074	127,756
<u>296,781,983</u>	<u>274,864,269</u>

8. **Cash & Bank Balances:**

Cash in hand:

STD Account
Current deposit
FDR Account

Cash at bank:

Total

1,274,228	1,025,068
61,251,552	40,099,016
8,172,239	7,626,348
500,000,000	445,500,000
<u>569,423,791</u>	<u>493,225,364</u>
<u>570,698,019</u>	<u>494,250,432</u>

Notes to the financial statements
for the period ended June 30,2021

Amount in Taka	
Jun-21	2020

9 Fixed Assets(at WDV):

Office Space	57,334,118	58,059,866
Furniture & Fixture	4,019,486	3,873,909
Motor Vehicles	27,760,991	27,233,299
Office Decoration	2,695,079	2,525,569
Computer	2,785,020	2,629,572
Air Conditioner	1,728,559	1,843,534
Office Equipment	3,980,182	3,506,762
Software	2,362,664	1,933,330
Total	102,666,098	101,605,840

Total

9.1 Cost of Fixed Assets:

Opening Balance	171,541,217	160,837,147
Add. Addition during the year	5,765,753	10,704,070
Less Disposal	-	-
Total Cost	177,306,970	171,541,217

Less Accumulated Depreciation:

Opening Balance	69,935,377	60,087,620
Add. Depreciation charge during the year	4,705,495	9,847,757
Less Adjustment of Disposal during the year	-	-
Total Accumulated Depreciation	74,640,872	69,935,377

Written Down Value

102,666,098	101,605,840
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10. Share Capital:

Detailed break up of shareholders capital is as below:

		Amount in Taka	
		Jun-21	2020
a)	Authorised capital:		
	100,000,000 Ordinary shares of Tk. 10 each	1,000,000,000	1,000,000,000
b)	Issued, subscribed and paid-up capital		
	4,05,517,63 Ordinary shares of Tk. 10/- each	405,517,630	405,517,630

The Category-wise share holding position as on 30 June, 2021 is as under:

Category of Shareholders	No. of Shares	(%) of Holding	Amount in Taka
Sponsor (Group-A)	620,743	1.53	6,207,430
Sponsor Directors (Group-A)	11,004,445	27.14	110,044,450
General Public Shareholder Directors (Group-B)	2,705,267	6.67	27,052,670
Independent Director (Group-B)	143,215	0.35	1,432,150
Financial & Other Institutions (Group-B)	3,784,974	9.33	37,849,740
General Public (Group-B)	22,293,119	54.97	222,931,190
TOTAL	40,551,763	100	405,517,630

11. Reserve for Exceptional Losses:

Opening Balance	57,635,412	45,135,412
Add Reserve made during the period	8,000,000	12,500,000
	65,635,412	57,635,412

12. Retained Earnings:

Balance brought forward from last year	49,970,338	230,171
Add: Net profit during the year after Tax	46,983,962	62,240,167
	96,954,300	62,470,338
Less: Reserve for exceptional losses	8,000,000	12,500,000
	88,954,300	49,970,338

12.1 Balance brought forward from last year:

Net profit before dividend	49,970,338	38,850,894
Less: Stock Dividend	-	19,310,360
Less: Cash Dividend	-	19,310,364
	49,970,338	230,171

Notes to the financial statements
for the period ended June 30, 2021

Amount in Taka	
Jun-21	2020

13. **Balance of Fund and Account:**

Fire Insurance Business	48,579,883	42,265,679
Marine Cargo Insurance Business	133,835,779	115,227,458
Marine Hull Insurance Business	-	1,532,748
Motor Insurance business	34,275,667	32,271,574
Miscellaneous Insurance Business	8,507,489	9,547,408
Total	<u>225,198,817</u>	<u>200,844,867</u>

14. **Premium Deposit:**

Total	<u>68,225,479</u>	<u>22,744,053</u>
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The amount represents the un-adjusted balance of premium as received against cover notes over the years for which policies have not been issued within June 30, 2021

15. **Loan & Overdraft:**

Loans (15.1)	19,357,244	33,856,924
Vehicals Loan	3,799,729	4,495,765
Total	<u>23,156,973</u>	<u>38,352,689</u>

15.1 **Loans:**

United Commercial Bank Ltd., A/c No-107174800028	9,633,286	16,981,494
United Commercial Bank Ltd., A/c No-107174800039	9,723,958	16,875,430
Total	<u>19,357,244</u>	<u>33,856,924</u>

15.2 **SOD Loan (UCBL & MBL, Bijoy Nagar Branch)**

- (a) SOD loan account no-107174800000028:- SOD Limit of Tk. 250.00 Lac have been obtained from United Commercial Bank Ltd.(UCBL) Bijoy Nagar Branch against security of lien FDR valuing Tk.312.50 lac. Rate of Interest 2% of above FDR .
- (b) SOD loan account no-107174800000039:- SOD Limit of Tk. 230.00 Lac have been obtained from United Commercial Bank Ltd.(UCBL) Bijoy Nagar Branch against security of lien FDR valuing Tk.289.00 lac. Rate of Interest 2% of above FDR .

16. **DEFERRED TAX LIABILITY**

Opening Balance	6,234,413	6,259,252
Add, Provision made during the year	(908,100)	(24,840)
	<u>5,326,313</u>	<u>6,234,413</u>
Less, Adjusted during the year	-	-
Closing Balance	<u>5,326,313</u>	<u>6,234,413</u>

Calculation of Deferred Tax :

Particulars	Account Base Fixed Assets(WDV)	Tax Base Fixed Assets (WDV)	Difference	Applicable Rate	Deferred Tax	Deferred Tax
Fixed Assets	102,666,098	88,462,597	14,203,501	37.50%	5,326,313	6,234,413
Total					<u>5,326,313</u>	<u>6,234,413</u>

Notes to the financial statements
for the period ended June 30,2021

Amount in Taka	
Jun-21	2020

17. Estimated liability in respect of outstanding claims whether due or intimated:

Fire	23,599,742	22,707,813
Marine (Cargo)	19,113,812	22,150,631
Motor	8,009,580	6,522,109
Miscellaneous	3,570,000	3,639,885
Total	54,293,134	55,020,438

18. Amount due to others persons or bodies carrying on insurance business:

Shadharon Bima Corporation :	81,202,492	73,400,693
Opening Balance	73,400,693	58,719,298
Add, Ceded in this year	50,971,858	92,192,075
	124,372,551	150,911,373
Less, Paid in this year	20,985,896	62,805,729
Less, Adjustment with Claim Recovered	-	2,919,295
Less, Adjustment with SBC	6,448,155	11,785,656
Closing Balance	96,938,500	73,400,693

19. Sundry Creditors:

Provision for office rent	-	30,000
Provision for audit fee	732,500	870,500
Provision For Utility and Telephone Bills	-	150,402
VAT deducted at source	-	322,157
Salary income tax payable	329,700	139,900
Security deposit against office rent	115,000	115,000
Tax deduction at source Payable	-	662,965
GIL foundation	5,000	5,000
Share application money refundable	846,736	846,736
Provision for Salary & Allowance	11,646,812	20,484,197
Claim payable to party	79,716,941	79,716,941
Provision for profit bonus(Note 22)	5,404,251	11,250,000
Provision for WPPF(Note 21)	1,981,128	1,981,128
Premium VAT payable	8,532,352	7,939,980
Provision for company's Contribution(P.F)	252,013	449,457
Un-claimed Dividend	3,103,095	19,310,364
Income tax payable , Note 20	10,763,480	4,526,564
Total	123,429,008	148,801,291

20.00 Current Tax Assets/(Liability):

Provision for income tax Note-20.1
Income Tax Paid in advance Note-20.2

Amount in Taka	
Jun-21	2020
253,273,916	231,967,750
242,510,436	227,441,186
10,763,480	4,526,564

20.1 Provision for income Tax:

Opening Balance
Add. Provision made during the period

Less: Adjustment on completion of assessment
Closing Balance

231,967,750	204,045,679
21,306,166	27,922,071
253,273,916	231,967,750
-	-
253,273,916	231,967,750

20.2 Income Tax paid in advance:

Opening Balance
Add. Tax paid during the period

Less: Adjustment on completion of assessment
Closing Balance

227,441,186	187,976,702
15,069,250	39,464,484
242,510,436	227,441,186
-	-
242,510,436	227,441,186

21 Provision For WPPF:

Balance as on 1st January
Add, Provision made during the period

Less, Payment & Adjustment during the period
Closing Balance of WPPF

1,981,128	1,981,128
-	-
1,981,128	1,981,128
-	-
1,981,128	1,981,128

As per letter no:-BIA-3(91)/2019-512 date- 26/12/2019 from Bangladesh Insurance Association and bank and financial institution division ministry of finance bangladesh latter no-53.00.0000.311.22.002.17-130 dated 14/02/2017 no provision was made during the period.

22 Provision for profit bonus:

Balance as on 1st January
Add, Provision made during the period

Less, payment & Adjustment during the period
Closing Balance

11,250,000	11,250,000
-	-
11,250,000	11,250,000
5,845,749	-
5,404,251	11,250,000

Amount in Taka	
June-2021	June-2020

23 Cash flow from operating activities under indirect method:

Net profit before tax
Add: Adjustment for non-cash item
Depreciation
Interest Expenses
Unrealised Gain/ Loss of changes in share value

67,382,028	62,391,823
4,705,495	4,840,645
1,123,627	3,213,602
(762,000)	-
72,449,150	70,446,071

Changes in Working Capital:

Increase/(Decrease) of Interest receivable
Increase/(Decrease) Amount due from other
Increase/(Decrease) of Sundry debtors
Increase/(Decrease) of Stationery
Increase/(Decrease) of Stamp in hand
Increase/(Decrease) of Balance of fund and accounts
Increase/(Decrease) of Premium deposit
(Increase)/Decrease of Estimated liability in respect of outstanding claims, where due or intimation
(Increase)/Decrease amount due to other persons or bodies carrying on insurance business
(Increase)/Decrease of Sundry creditor and others

1,199,934	(1,623,803)
(443,025)	-
(21,917,714)	4,045,172
675,475	450,111
601,432	224,044
24,353,951	14,157,246
45,481,426	2,713,068
(727,304)	5,594,659
23,537,807	(2,306,696)
(15,401,930)	(7,763,964)
57,360,051	15,489,837
(15,069,250)	(3,897,556)
114,739,951	82,038,351

Tax paid during the period

24 Premium less re-insurance :

Business	Gross Premium			Re-Insurance ceded	Net Premium	Net Premium
	Private	Public	Total			
Fire	121,839,923	6,362,404	128,202,327	59,584,719	68,617,608	63,010,268
Marine	207,766,803	16,578,781	224,345,584	35,706,394	188,639,190	147,741,282
Motor	43,060,615	2,547,102	45,607,717	258,018	45,349,699	34,768,489
Miscellaneous	15,957,562	26,595,431	42,552,993	33,218,531	9,334,462	21,175,075
Total	388,624,903	52,083,718	440,708,621	128,767,662	311,940,959	266,695,114

Amount in Taka	
June -2021	June -2020

25 **Expenses of Mnagement :**

The expenses have been charged to revenue accounts on product basis of gross premium earned or direct business as under:

Class of Business	Rate of expenses	June-2021	June-2020
Fire	29.22	56,546,147	48,254,879
Marine	50.81	98,347,622	66,773,836
Motor	10.33	19,993,309	13,896,766
Miscellaneous	9.63	18,654,192	15,343,601
Total	1.00	193,541,270	144,269,083

26 **Directors Fees:**

1,987,200 542,800

During theperoid under review an amount of Tk.1,987,200 was paid to the Directors of the company as Board and committee meeting attendance fee.

27 **Interest Income:**

Interest on National Investment Bond (NIB)	2,513,527	1,489,550
Interest on Fixed Deposit	8,602,708	9,503,125
Interest on STD	187,881	-
Total	11,304,116	10,992,675

28 **Earning Per Share(EPS) :**

The earning per share of the company is as follows:

Earning attributable to ordinary share holders (Profit after tax)	46,983,962	39,152,907
Weighted average number of ordinary shares outstanding during the year	40,551,763	40,551,763
Earning Per Share(EPS) (Restated)	1.16	0.97

29 **Net Assets Value (NAV) Per Share:**

Net Assets Value per share of the company is as follows:

Net Assets	564,107,342	513,275,668
Weighted average number of ordinary shares outstanding during the year	40,551,763	40,551,763
Net Assets Value(NAV) Per Share (Restated)	13.91	12.66

30 **Net Operating Cash Flow Per Share (NOCFPS):**

Net Operating Cash Flow per share of the company is as follows:

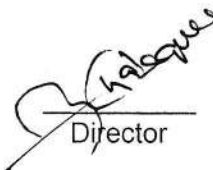
Cash Flows from Operating Activities	114,739,951	82,038,351
Weighted average number of ordinary shares outstanding during the year	40,551,763	40,551,763
Net Operating Cash Flow Per Share (NOCFPS) (Restated)	2.83	2.02

GLOBAL INSURANCE LIMITED
Form -"AA"
Classified Summary of Assets (Un-Audited)
As on June 30, 2021


Class of Assets	<u>Amount in Taka</u> <u>Book Value</u>
Investment(in Bangladesh Govt. Bond)	25,000,000
Investment in Shares (Fair Value)	6,278,000
Amount due from other persons or bodies carrying on insurance business	149,304,792
Fixed Deposit Accounts	500,000,000
Current & STD Accounts	69,423,791
Cash in Hand	1,274,228
Interest Receivable	8,505,844
Sundry debtors, advance, deposits and prepayments	296,781,983
Fixed Assets (At cost less accum.depreciation)	102,666,098
Stock of Stamps	668,425
Stock of Stationery	772,404
	<u><u>1,160,675,567</u></u>



Chief Executive Officer(In-Charge)



Director



Chairman



Chief Financial Officer(C.C.)



Company Secretary