

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

AS AT 31ST DECEMBER, 2021

Figures in Taka

CAPITAL & LIABILITIES	NOTE	2021	2020
Shareholder's Equity & Liabilities			
Shareholder's Equity		1,609,769,467	1,577,349,909
Share Capital	04	403,415,720	403,415,720
Share premium		897,121	897,121
Reserve & Surplus	05	1,205,456,626	1,173,037,068
Liabilities & Provision		784,037,926	756,944,126
Balance Of Fund & Account	06	152,771,533	135,255,424
Premium Deposit	07	35,454,416	25,094,299
Deferred liability for Gratuity	08	31,493,917	32,204,694
Reserve for Corporate Social Responsibility (CSR)	09	3,042,526	2,777,526
Deferred liability for Tax	10	65,680,793	65,604,204
Unclaimed Dividend Account	11	8,590,390	7,528,465
Estimated liabilities in respect of outstanding			
Claims whether due or intimated	12	66,013,699	91,495,432
Amount due to other persons or bodies			
Carrying on insurance business	13	56,029,959	34,932,558
Sundry Creditors	14	364,960,693	362,051,524
Total		2,393,807,393	2,334,294,035
Net Asset Value (NAV)		39.90	39.10

Annexed notes form part of these Financial Statements


Chairman


Director


Chief Executive Officer

As per annexed report of even date.
Place: Dhaka
Dated: April 27, 2022

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

AS AT 31ST DECEMBER, 2021

Figures in Taka

ASSETS	NOTE	2021	2020
Non-Current Assets			
Property Plant & Equipment	15	288,460,377	288,155,517
Investment	16	753,001,939	717,182,772
Current Assets			
Inventories	17	1,035,982	1,139,423
Sundry Debtors (Advance, deposit & others)	18	559,703,191	504,018,525
Amount due from other persons or bodies carrying on insurance business	19	262,102,095	357,621,753
Interest outstanding		1,436,875	1,436,875
Cash and Cash Equivalents	20	528,066,934	464,739,170
Total		<u>2,393,807,393</u>	<u>2,334,294,035</u>


Chief Financial Officer


DMD & Company Secretary


Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

STATEMENT OF PROFIT OR LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2021

Figures in Taka

PARTICULARS	NOTE	2021	2020
Expenses of Management (Not applicable to any particular fund or account)		21,856,638	19,421,623
Directors Fees		904,000	1,196,400
Audit Fees		1,337,500	250,000
Depreciation		11,936,589	10,787,181
Advertisement & Publicity		4,525,720	2,196,936
Subscription & Donation		1,608,797	2,745,899
Legal and Professional Fees		516,255	556,815
Registration Fee		1,027,777	1,688,392
Provision		11,500,000	10,000,000
Provision for Gratuity		11,000,000	9,000,000
Provision for Corporate Social Responsibility (CSR)		500,000	1,000,000
Profit before tax		116,926,825	121,885,772
Provision for taxation	21	28,137,982	27,898,698
Current Tax		28,521,735	29,648,907
Deferred Tax	22	(383,753)	(1,750,209)
Profit after tax transferred to profit & loss appropriation account		88,788,843	93,987,074
Total		150,283,463	151,307,395

STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER 2021

Figures in Taka

PARTICULARS	NOTE	2021	2020
Transfer to Retained earnings		88,788,843	93,987,074
Transfer to Fair value reserve		4,143,073	124,666,081
Total		92,931,916	218,653,155
Earnings Per Share		2.20	2.33

Annexed notes form part of these Financial Statements


Chairman


Director


Chief Executive Officer

As per annexed report of even date.
Place: Dhaka
Dated: April 27, 2022

STATEMENT OF PROFIT OR LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2021

Figures in Taka

PARTICULARS	NOTE	2021	2020
Profit / (Loss) Transferred from:		102,447,508	87,348,438
Fire Revenue Account		(33,993,309)	(21,537,698)
Marine Revenue Account		95,908,686	67,647,733
Misc. Revenue Account		40,532,132	41,238,403
Interest Income	23	22,636,965	26,389,164
Dividend Income	24	10,917,173	19,360,129
Other Income	25	14,281,817	18,209,663
Total		150,283,463	151,307,395

STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER 2021

Figures in Taka

PARTICULARS	NOTE	2021	2020
Profit after tax		88,788,843	93,987,074
Other Comprehensive income:			
Changes in fair value gain /(loss)		4,603,414	138,517,868
Deferred tax on		(460,341)	(13,851,787)
Total		92,931,916	218,653,155


Chief Financial Officer


DMD & Company Secretary

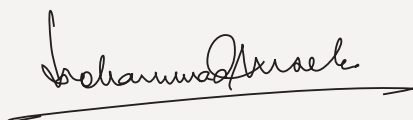

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

PROFIT AND LOSS APPROPRIATION ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2021

PARTICULARS	Figures in Taka	
	2021	2020
Reserve for Exceptional Losses	38,031,721	33,787,293
Dividend Paid	60,512,358	48,409,886
Balance transferred to Balance Sheet	68,824,833	77,273,150
Total	167,368,911	159,470,329

Annexed notes form part of these Financial Statements



Chairman



Director



Chief Executive Officer

As per annexed report of even date.
Place: Dhaka
Dated: April 27, 2022

PROFIT AND LOSS APPROPRIATION ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2021

PARTICULARS	Figures in Taka	
	2021	2020
Balance brought forward from previous year	77,273,150	64,107,553
Net profit for the year brought down from Profit and Loss Account	88,788,843	93,987,074
Adjustment of Depreciation on revaluation reserve	1,306,918	1,375,703
Total	167,368,911	159,470,329



Chief Financial Officer



DMD & Company Secretary

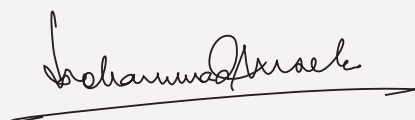

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

CONSOLIDATED INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2021

PARTICULARS	NOTE	Figures in Taka	
		2021	2020
Claims Under Policies Less: Re-Insurance	26	43,205,619	59,620,074
Commission		46,249,503	85,227,382
Expenses of Management	28	230,256,367	228,923,984
Profit/(Loss) transfer to Profit & Loss A/c.		102,447,508	87,348,439
Balance of Account at the end of the year as shown in the Balance Sheet (Reserve for unexpired risk)		152,771,533	135,255,424
Total		574,930,530	596,375,303

Annexed notes form part of these Financial Statements



Chairman



Director



Chief Executive Officer

As per annexed report of even date.

Place: Dhaka

Dated: April 27, 2022

CONSOLIDATED INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2021

PARTICULARS	NOTE	Figures in Taka	
		2021	2020
Balance of Account at the Beginning of the year		135,255,424	189,926,151
Premium Less Re-Insurance		380,317,206	337,872,934
Commission on Re-Insurance Ceded		59,357,900	68,576,218
Total		574,930,530	596,375,303


Chief Financial Officer


DMD & Company Secretary

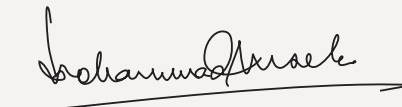

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

FIRE INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2021

PARTICULARS	2021	2020
Claims under policies less re-insurances	47,633,915	18,506,938
Paid during the year	40,551,123	9,864,859
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	27,120,058	20,037,266
	67,671,181	29,902,125
Less: Outstanding at the end of the previous year	20,037,266	11,395,187
Commission	25,759,308	43,807,106
Expenses of Management	116,043,305	113,471,777
Profit/(Loss) transferred to Profit & Loss Account	(33,993,309)	(21,537,697)
Balance of account at the end of the year as shown in the Balance Sheet being reserve for unexpired risks @ 40% of premium income of the year	51,144,610	36,623,794
Total	206,587,829	190,871,918

Figures in Taka


Chairman


Director


Chief Executive Officer

As per annexed report of even date.
Place: Dhaka
Dated: April 27, 2022

FIRE INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2021

PARTICULARS	Figures in Taka	
	2021	2020
Balance of account at the beginning of the year	36,623,794	48,512,594
Premium less: re-insurances	127,861,526	91,559,486
Commission on re-insurances	42,102,509	50,799,838
Total	<u>206,587,829</u>	<u>190,871,918</u>


Chief Financial Officer


DMD & Company Secretary

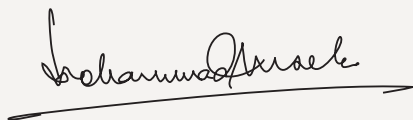

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

MARINE INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2021

Figures in Taka


PARTICULARS	2021	2020
Claims under policies less re-insurances	(22,334,439)	17,242,142
Paid during the year	5,011,128	25,533,452
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	21,975,434	49,321,001
Less: Outstanding at the end of the previous year	26,986,562	74,854,453
	49,321,001	57,612,311
Commission	14,939,818	23,447,573
Expenses of Management	65,834,505	63,544,573
Profit transferred to Profit & Loss Account	95,908,686	67,647,733
Balance of account at the end of the year as shown in the Balance Sheet being reserve for unexpired risks @ 40% of premium income on marine cargo and 100% of premium income on marine hull of the year	61,510,194	51,325,636
Cargo	60,435,777	51,148,552
Hull	1,074,417	177,084
Total	215,858,764	223,207,657



Chairman



Director



Chief Executive Officer

As per annexed report of even date.
Place: Dhaka
Dated: April 27, 2022

MARINE INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2021

PARTICULARS	Figures in Taka	
	2021	2020
Balance of account at the beginning of the year	51,325,636	82,051,927
Premium less: re-insurances	152,163,860	128,048,463
Commission on re-insurances	12,369,268	13,107,267
Total	215,858,764	223,207,657


Chief Financial Officer


DMD & Company Secretary

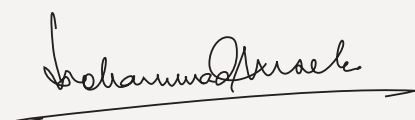

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2021

Figures in Taka

PARTICULARS	MOTOR	MISC.	2021	2020
Claims under policies less re-insurances	18,514,135	(607,992)	17,906,143	23,870,994
Paid during the year	22,264,923	860,178	23,125,101	15,390,656
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	15,784,075	1,134,132	16,918,207	22,137,165
	38,048,998	1,994,310	40,043,308	37,527,821
Less: Outstanding at the end of the previous year	19,534,863	2,602,302	22,137,165	13,656,827
Commission	3,871,713	1,678,664	5,550,377	17,972,703
Expenses of Management	32,119,547	16,259,010	48,378,557	51,907,634
Profit transferred to Profit & Loss Account	41,501,620	(969,488)	40,532,132	41,238,403
Balance of account at the end of the year as shown in the Balance Sheet being reserve for unexpired risks @ 40% of premium income of the year	36,878,078	3,238,650	40,116,728	47,305,994
Total	132,885,093	19,598,844	152,483,937	182,295,728



Chairman



Director



Chief Executive Officer

As per annexed report of even date.

Place: Dhaka

Dated: April 27, 2022

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2021

Figures in Taka

PARTICULARS	MOTOR	MISC.	2021	2020
Balance of account at the beginning of the year	40,649,768	6,656,226	47,305,994	59,361,630
Premium less: re-insurances	92,195,195	8,096,625	100,291,820	118,264,985
Commission on re-insurances	40,130	4,845,993	4,886,123	4,669,113
Total	<u>132,885,093</u>	<u>19,598,844</u>	<u>152,483,937</u>	<u>182,295,728</u>


Chief Financial Officer


DMD & Company Secretary

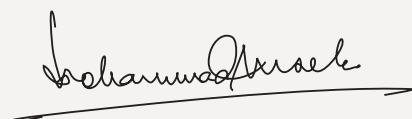

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

CASH FLOW STATEMENT

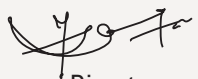
FOR THE YEAR ENDED DECEMBER 31, 2021

Figures in Taka

PARTICULARS	2021	2020
A) Cash Flow from Operating Activities:		
Collections from premium and other income	566,279,004	476,668,119
Payments for management expenses, re-insurance and claims	(376,515,805)	(376,390,009)
Income Tax paid	(27,236,712)	(16,921,356)
Net Cash provided by operating activities	162,526,487	83,356,754
B) Cash Flow from Investing Activities :		
Purchase of fixed assets	(13,960,939)	(10,031,932)
Disposal of fixed assets	5,428,402	3,200,000
Decrease/(Increase) of investment in shares	(31,215,753)	2,889,244
Net Cash used in Investing activities	(39,748,290)	(3,942,688)
C) Cash flow from Financing Activities :		
Cash dividend paid	(59,450,433)	(48,409,886)
Net Cash used in financing activities	(59,450,433)	(48,409,886)
Net Increase/(Decrease) in cash & equivalents during the year (A+B+C)	63,327,764	31,004,180
Cash & Cash equivalents at the beginning of the year	464,739,170	433,734,990
Cash & Cash Equivalents at the end of the year	528,066,934	464,739,170
Net operating cash flow per share	4.03	2.07



Chairman



Director



Chief Executive Officer



Chief Financial Officer



DMD & Company Secretary



Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

As per annexed report of even date.

Place: Dhaka

Dated: April 27, 2022

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2021

Figures in Taka

Sl. No.	PARTICULARS	Share Capital	Reserve for Exceptional	Revaluation Reserve	Fair Value Reserve	Share Premium	Retained Earnings	Total
1	Opening Balance	403,415,720	547,404,668	155,920,174	394,820,153	897,121	74,892,073	1,577,349,909
2	Dividend Paid	-	-	-	-	-	(60,512,358)	(60,512,358)
3	Adjustment of depreciation on revaluation reserve	-	-	(816,824)	-	-	816,824	-
4	Net profit for the year after tax provision	-	-	-	-	-	88,788,843	88,788,843
5	Transfer to exceptional loss	-	38,031,721	-	-	-	(38,031,721)	-
6	Investment Reserve	-	-	-	4,143,073	-	-	4,143,073
7	Transfer to General Reserve	-	-	-	-	-	-	-
	Total	403,415,720	585,436,389	155,103,350	398,963,226	897,121	65,953,661	1,609,769,467

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

Figures in Taka

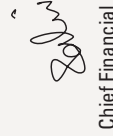
Sl. No.	PARTICULARS	Share Capital	Reserve for Exceptional	Revaluation Reserve	Fair Value Reserve	Share Premium	Retained Earnings	Total
1	Opening Balance	403,415,720	513,617,375	156,745,596	270,154,072	897,121	62,276,756	1,407,106,640
2	Dividend Paid	-	-	-	-	-	(48,409,886)	(48,409,886)
3	Adjustment of depreciation on revaluation reserve	-	-	(825,422)	-	-	825,422	-
4	Net profit for the year after tax provision	-	-	-	-	-	93,987,074	93,987,074
5	Transfer to exceptional loss	-	33,787,293	-	-	-	(33,787,293)	-
6	Investment Reserve	-	-	-	124,666,081	-	-	124,666,081
7	Transfer to General Reserve	-	-	-	-	-	-	-
	Total	403,415,720	547,404,668	155,920,174	394,820,153	897,121	74,892,073	1,577,349,909

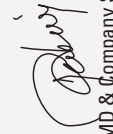

Chairman

Director


Director


Chief Executive Officer


Chief Financial Officer


DMD & Company Secretary


Zofia Zaman Kabir Rashid & Co.
Chartered Accountants

As per annexed report of even date.
Place: Dhaka
Dated: April 27, 2022

FORM "AA"

Classified Summary of Assets

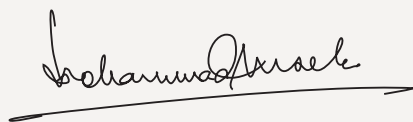
AS AT 31ST DECEMBER-2021

Figures in Taka

Sl. No.	PARTICULARS	2021	2020
	NON CURRENT ASSETS		
	Property Plant & Equipment		
(a)	Land	152,825,000	152,825,000
(b)	Building	94,154,464	99,109,961
(c)	Furniture & Fixture	8,383,834	9,145,807
(d)	Office Equipment	5,001,095	5,331,104
(e)	Electric installation	1,041,825	499,424
(f)	Air Cooler	1,342,407	1,579,302
(g)	Vehicle	23,335,483	17,219,293
(h)	Telephone installation	2,376,269	2,445,626
	Sub total:	288,460,377	288,155,517
	INVESTMENT		
(a)	National Investment Bond	25,000,000	25,000,000
(b)	Investment to PSL	60,000,000	60,000,000
(c)	Shares of Listed Companies	622,111,879	586,292,712
(d)	Shares of Unlisted Companies	45,890,060	45,890,060
	Sub total:	753,001,939	717,182,772
	CURRENT ASSETS		
(a)	Fixed Deposit	357,699,721	310,647,875
(b)	Short term Deposits	95,932,907	95,804,166
(c)	Current Account	13,588,168	15,993,351
(d)	Cash in hand	60,846,139	42,293,778
(e)	Interest Outstanding	1,436,875	1,436,875
(f)	Sundry Debtors	559,703,191	504,018,525
(g)	Stock of Stationery & Stamps	1,035,982	1,139,423
(h)	Amount due from other persons & bodies carrying on insurance business	262,102,095	357,621,753
	Sub total:	1,352,345,077	1,328,955,746
	TOTAL ASSETS	2,393,807,393	2,334,294,035

Certificate under regulation 7 (a) & (b) of part 1 of the first schedule to the Insurance Act.

Certified that the values of all assets have been reviewed, that the said assets except the shares in listed companies, have been set forth in the balance sheet at amounts not exceeding their realizable or market value, and that the investments in shares have been valued at cost. For the purpose of comparison market value of shares shown to the financial statements have been ascertained on the basis of average rates of last transactions of 2021 of the relevant shares published in the daily newspapers



Chairman



Director



Chief Executive Officer



Chief Financial Officer



DMD & Company Secretary



Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

As per annexed report of even date.

Place: Dhaka

Dated: April 27, 2022

NOTES TO THE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31ST DECEMBER, 2021

1.00 General Information:

1.01 Legal form and status of the Company:

Phoenix Insurance Company Ltd. was incorporated as a public limited company in Bangladesh on 27th November' 1986 under the Companies Act 1913 (present 1994) and obtained the certificate of commencement of business from the Registrar of Joint Stock Companies, Bangladesh with effect from the same date, however the certificate of commencement of insurance business from the Controller of Insurance, Government of Peoples Republic of Bangladesh was obtained with effect from 1st December' 1986.

With the authorization of Securities and Exchange Commission the Company issued 300,000 ordinary shares at Tk. 100 each to public in 1994 and was listed with Dhaka Stock Exchange and Chittagong Stock Exchange subsequently. The Company carries its insurance activities through thirty-one branches throughout the country.

1.02 Principal activities and nature of operations:

The principal activity of the Company continued to carry on all kinds of insurance, guarantee, and indemnity business other than life insurance business. There were no significant changes in the nature of the principal activities of the Company during the year 2021 under review.

1.03 Date of financial statements authorized for issue:

Financial Statements of the Company for the year ended December 31, 2021 were authorized for issue on April 27, 2022 in accordance with a resolution of the Board of Directors.

2.00 Summary of significant accounting related policies:

2.01 Basic of accounting:

The financial statements of the Company under reporting have been prepared under historical cost convention except Land & Building which is stated at revalue amount in a going concern concept and on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) and practice in Bangladesh in addition compliance with the Companies Act 1994, the Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. These Statements have also been prepared in accordance with applicable International Accounting Standards (IASs) and as were adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB) under name & style International Accounting Standards (IASs) with reference to disclosures of accounting policies and valuation of investment both.

2.02 Basic of preparation:

The Balance Sheet has been prepared in accordance with the regulation as contained in part-1 of the First Schedule and as per Form "A" as set forth in part-2 of that Schedule. Revenue Accounts for specific classes of non-life insurance business has been prepared in accordance with the regulation as contained in part-1 of the Third Schedule and as per Form "F" as set forth in part-2 of that Schedule of the Insurance Act 1938 as amended (new Insurance Act 2010). The classified summary of the assets has been prepared in accordance with Form "A" as set forth in part-2 of aforesaid Act.

2.03 Branch accounting:

The Company has thirty one (31) branches under its umbrella without having any overseas branch during the year ended December 31, 2021. The accounts of the branches are maintained and consolidated at the head office level. Only petty cash books are being maintained at the respective branches for meeting day to day expenses.

2.04 Public sector business:

As per Government decision effective from April 1990, all the Public Sector Insurance Business is being underwritten jointly by Sadharan Bima Corporation and 45 private sectors Insurance Companies on co-insurance basis 50% being underwritten by Sadharan Bima Corporation and the balance equally by 45 private sectors Insurance Companies.

Company's share of public sector business is accounted for in the year in which the statement of accounts from the Sadharan Bima Corporation is received up to June 30, 2021. The statements of accounts for the period from July 1, 2020 to June 30, 2021 have been received from the Sadharan Bima Corporation and accordingly, the Company's share of Public Sector business for that period has been accounted for in the accompanying accounts. This practice is being followed consistently.

2.05 Reporting currency and level of precision:

The figures in the financial statements represent Bangladesh currency (Taka), which have been rounded off to the nearest Taka except where indicates otherwise.

2.06 Foreign currency transaction:

All foreign exchange transactions are converted to Bangladeshi Taka, which is the reporting currency, the rate of exchange were affected in the time of transaction. Insurance contracts which were underwritten in foreign currency are converted to Bangladeshi Taka at the rate of exchange prevailing the time of underwriting and revenue is recognized accordingly.

2.07 Property, plant and equipment:**A. Valuation of fixed assets**

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

B. Recognition of fixed assets

The Company recognizes in the carrying amount of an item of property, plant and equipment the cost replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Normal expenditure incurred after the assets have been put into operation such as repair and maintenance other than major replacement, renewals and or betterment of the assets are charged off as revenue expenditure in the period in which it is incurred.

C. Subsequent cost

The cost of replacing a component 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 associated with the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is de-recognized.

D. Depreciation

Property, Plant and Equipment are depreciated following the reducing balance method on the basis of life expectancy of the assets in accordance with IAS-16. Depreciation on newly acquired assets except land which is not depreciated, are charged for irrespective of the date of acquisition, and while no depreciation is

charged during the year in which assets are disposed off. Assets category wise depreciation rates are as follows:

Particulars	Rate
Building	5%
Furniture & Fixture	10%
Office Equipment	15%
Electric Installation	15%
Air Cooler	15%
Vehicle	20%
Telephone Installation	5%

E. De-recognition

An item of property, plant and equipment is de-recognized upon disposal or future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the assets is included in the statement of comprehensive income in the year the assets are de-recognized.

F. Impairment of assets

In each year the management assess whether there is any indication that the assets may be impaired in accordance with IAS-36: "Impairment of Assets" considering the current economic situation. Management concludes that there is no such indication exists.

G. Revaluation of assets

Fixed assets were revalued by the Company as on December 31, 2010 which was conducted by professional independent valuer G. K. Adjusters Ltd. In order to reflect the fair picture of the Company in the present market condition on the basis of market availability and physical condition of those fixed assets and the gain arising due to the revaluation were transferred to the revaluation reserve account as per IAS-16: "Property, Plant and Equipment".

H. Office Space Rental

At present the Company is accounting for the leased office spaces as per the requirements of IAS 17. However the Company is planning to implement the IFRS 16 in respect of these lease agreements from the next financial year end December 31, 2022.

2.08 Reserve or contingencies accounts:

A. Reserve for exceptional losses

As per para 6 of the 4th schedule of Income Tax Ordinance 1984 to meet the exceptional losses, Company sets aside 10% of the net premium income of the year which is set aside from the balance of the profit to the reserve for exceptional losses. Detail calculations have been given in note 5.01.

B. Revaluation reserve

Revaluation surplus is transferred to revaluation reserve after restating the asset at the revalued amount.

2.09 Employee benefit:

A. Contributory provident fund

The Company operates a contributory provident fund for its permanent employees. The fund is approved by the National Board of Revenue (NBR), administered separately by a Board of Trustee and is funded by equal contribution from the company and the employees. This fund is invested separately from the Company.

B. Gratuity scheme

The Company operates a gratuity scheme under which regular confirmed employee is entitled to benefit at graduated scale based on the length of service. The length of service for the purpose of gratuity shall be

reckoned from the date of joining in the regular service of the Company. The Company has a funded gratuity for all eligible employees who have completed minimum 8 (Eight) years of continuous service with the Company. Required amount of gratuity is calculated on the basis depending on the length of service for every completed year as well as proportionate to the fraction period of service as of the end of the respective year.

C. Incentive bonus

The Company have resorted a policy namely incentive bonus scheme for its employees who meet certain criteria based on their annual performance ascertained on net profit after tax with the approved in the Board meeting and the paid amount are accounted for the year to which same relates.

D. Group insurance policy

The Company has been operating a group insurance policy for all permanent employees for the supporting of family assistance after death of any employee's as per group insurance policy terms and condition.

2.10 Revenue recognition:

A. Underwriting premium income

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

B. Investment income recognition

Interest on FDRs and Bangladesh Government Treasury Bond are recognized on accrual basis after making provision for income tax deductible at source. Interest on STD/SND accounts, cash dividend on investment in share and other income are recognized on cash basis for stock dividend that received by the Company against its investment, number of share increased and average cost of investment decreased.

C. Dividend income

Dividend income has been accounted for only when the right to receive the dividend is established.

2.11 Expenses and taxes:

A. Recognition of expenses

Expenses are recognized in the Statement of Profit or Loss and Other Comprehensive Income on the basis of direct association between the cost incurred and the earning of specific heads of income. All expenditure incurred has been charged to the Statement of Profit or Loss and Other Comprehensive Income in the running of the business and in maintaining the property, plant and equipment in a state of efficiency.

B. Income tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the Statement of Profit or Loss and Other Comprehensive Income.

C. Current tax

The tax currently payable is based on taxable profits for the year. Taxable profits differs from profits as reported in the Statement of Profit or Loss and Other Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other year or are never taxable or deductible. Company's liability for current tax is calculated using tax rates that have been enacted the balance sheet date.

D. Deferred tax

The corporation accounted for deferred tax as per IAS-12 " Income Taxes". Deferred tax is accounted for using the comprehensive tax balance sheet method. It is generated by temporary difference between the carrying amounts of assets and liability for financial reporting purposes and their tax base.

Deferred tax assets, including those related to the related to the tax effects of income tax losses and credits available to be carried forward, are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference or unused tax losses and credits can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences. They are also recognized for taxable temporary differences arising on investments and it is probable that temporary differences will not reverse in the foreseeable future. Deferred tax assets associated with these interests are recognized only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and there will be sufficient taxable profit against which to utilize the benefits of the temporary difference.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realized or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement reflects the tax consequences that would follow from the manner in which the corporation at the reporting date, recovers or settles the carrying amount of its assets and liabilities.

2.12 Balance of funds & accounts:

These have been arrived at after making provision for Unexpired Risks @ 40% of net premium income on all business except marine hull insurance where provision has been made at 100% on net premium income.

2.13 Management expenses:

Total management expenses have been allocated among the different classes of business on the basis of gross premium income.

2.14 Cash and cash equivalents:

According to IAS-7 "Cash Flow Statements" cash comprises cash in hand and demand deposits and cash equivalents are short term, highly liquid investments that are readily convertible to know amounts of cash and which are subject to an insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that cash and cash equivalents are not restricted in use. Considering the provisions of IAS-7 and IAS-1, cash in hand and bank balances have been considered as cash and cash equivalents.

2.15 Debtors and other receivable:

These are carried at bill amount, unsecured and considered good and collectible.

2.16 Stock of stationery & form:

The Company used stationery and various printed forms such as policy, cover notes, motor certificates, money receipts, petty cash voucher, envelope, cheque payments voucher, letter head pad etc. for their service purpose. These are not saleable and charged in the accounts at cost basis. Net realized value is estimated of selling price in the ordinary course of business but the stationery & forms of the Company is not held for sale.

2.17 Collection control account:

Collection control account is the outstanding premium for both policy and cover note in respect of Fire and Marine class of business as at reporting date under bank guarantee which will be subsequently received and adjusted.

2.18 Creditors and accruals:

Liabilities are recognized for amounts to be paid in the future for service received, whether or not billed by the suppliers.

2.19 Earnings per share (EPS):

The Company calculates Earning Per Share (EPS) in accordance with IAS-33, which has been shown on the face of Profit and Loss Appropriation Account.

2.20 Basic earnings per share:

This has been calculated by dividing the basic earnings by the weighted average of ordinary shares outstanding during the year in accordance with ISA-33 "Earnings Per Share" which has been shown on the face of Profit and Loss Appropriation Account.

2.21 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 of the year after tax has been considered as fully attributable to the ordinary shareholders.

2.22 Cash flow statements:

Cash Flow Statement is prepared principally in accordance with IAS-7 "Cash Flow Statements" and the cash flow from the operating activities has been presented under direct method as prescribed by the Securities and Exchange Rules 1987.

3.00 Additional information of financial statements:**A. Responsibility for preparation and presentation of financial statements**

The Board of Directors is responsible for the preparation and presentation of financial statements under Section 183 of the Companies Act 1994 and as per the provision of "The International Accounting Standards Committee" (IASC).

B. Components of the financial statements

According to the International Accounting Standard (IAS)-1: "Presentation of Financial Statements" the complete set of Financial Statements includes the following components:

- (i) Statement of Financial Position (Balance Sheet) as at December 31, 2021.
- (ii) Statement of Profit & Loss Account & Other Comprehensive Income for the year ended December 31, 2021
- (iii) Related Revenue Accounts for the year ended December 31, 2021.
- (iv) Statement of Cash Flows for the year ended December 31, 2021.
- (v) Statement of Changes in Equity for the year ended December 31, 2021.
- (vi) Significant Accounting Policies and Explanatory Notes.

C. Risk and uncertainties for use estimates in preparation of financial statements

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of affect financial statements and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as long term contracts, provision for doubtful accounts, depreciation and amortization, employees benefit plans, taxes, reserves and contingencies.

D. Comparative information

Comparative information have been disclosed in respect of the year 2020 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year financial statements.

Figure of the year 2020 have been rearranged whenever considered necessary to ensure comparability with the current year.

E. Reporting period

Financial statements of the Company is consistently one calendar year from 1st January to 31st December.

4.00 Share capital:

Authorized Capital:

100,000,000 Ordinary Share of Tk. 10 each Issued, Subscribed and Paid-up Capital: 40,341,572 Ordinary Share of Tk. 10 each

A distribution schedule of each class of equity / security setting out the number of holders and percentage in the following categories as on 31st December 2021:

Figures in Taka

Group "A" Shareholders (Sponsors)

Shareholding range	No.of Shareholders	No.of Share	(%) Total holding	(%) of Total paid-up capital
300001 to 400000 Shares	1	302,170	2.09	0.75
500001 to 1000000 Shares	10	8,350,933	57.45	20.70
Over 1000000 Shares	4	5,881,757	40.46	14.57
Total	15	14,534,860	100.00	36.02

General Public

Shareholding range	No.of Shareholders	No.of Share	(%) Total holding	(%) of Total paid-up capital
Less than 500 Shares	2,520	527,211	2.04	1.31
500 to 5000 Shares	1,902	3,599,699	13.95	8.92
5001 to 10000 Shares	327	2,441,790	9.46	6.05
10001 to 20000 Shares	182	2,656,165	10.29	6.59
20001 to 30000 Shares	66	1,652,156	6.40	4.10
30001 to 40000 Shares	28	965,989	3.75	2.40
40001 to 50000 Shares	25	1,166,232	4.52	2.89
50001 to 100000 Shares	42	2,953,274	11.44	7.32
100001 to 1000000 Shares	37	8,676,337	33.62	21.50
Over 1000000 Shares	1	1,167,859	4.53	2.90
Total	5,130	25,806,712	100.00	63.98

Composition of Shareholdings as on 31st December 2021 was under:

Type of Shareholders	No.of Shareholders	No.of Share	Share Face Value	%
Sponsor Group	15	14,534,860	145,348,600	36.02
General Public (Institutions)	130	2,534,354	25,343,540	6.29
General Public (Individuals)	5,000	23,272,358	232,723,580	57.69
Total	5,145	40,341,572	403,415,720	100.00

5.00 Reserves & Surplus:*Figures in Taka*

Particular	Notes	2021	2020
Reserve for exceptional losses	5.01	585,436,389	547,404,668
Retained earning		65,953,661	74,892,073
Asset revaluation reserve	5.02	155,103,350	155,920,174
Fair value reserve	5.03	398,963,226	394,820,153
Total		1,205,456,626	1,173,037,068

5.01 Reserve for exceptional losses

As per paragraph 6 of the fourth schedule of Income Tax Ordinance 1984, as earlier, for the year 2021, 10% of the net premium was transferred to reserve for exceptional losses. Details calculation as under:

Particular	2021	2020
Opening Balance	547,404,668	513,617,375
Add: Reserve during the year	38,031,721	33,787,293
Closing Balance	585,436,389	547,404,668

A sum of Tk. 38,031,721 has been provided for reserve for exceptional losses during the year, which is 10% of the net premium Tk. 380,317,206 earned during the year.

The class wise summary of reserve for exceptional loss provision is as follows:

Particulars	Fire	Marine	Motor	Miscellaneous	2021	2020
Gross Premium	338,142,753	192,342,238	93,014,720	47,432,329	670,932,040	646,130,830
Less: Reinsurance premium on ceded	(197,720,426)	(23,844,292)	-	(12,517,966)	(234,082,684)	(267,015,864)
Less: Reinsurance premium on PSB	(12,560,801)	(16,334,086)	(819,525)	(26,817,738)	(56,532,150)	(41,242,032)
Net Premium	127,861,526	152,163,860	92,195,195	8,096,625	380,317,206	337,872,934
Rate of Provision	10%	10%	10%	10%	10%	10%
Reserve for exceptional losses	12,786,153	15,216,386	9,219,520	809,663	38,031,721	33,787,293

5.02 Revaluation reserve

The Company's Land and Building were revalued as on 31st December 2010 by professional independent valuer G. K. Adjusters Ltd. using on the basis of market availability and physical condition of those fixed assets. The details value of such revalued assets is as follows:

Particulars	Cost Value of Assets as on 31.12.2010	Revalued amount as on 31.12.2010	Revaluation Surplus as on 31.12.2010	WDV Value of Revaluation Reserve as on 31.12.2021	WDV Value of Revaluation Reserve as on 31.12.2020
Land	6,474,844	152,825,000	146,350,156	140,237,156	140,237,156
Building	37,280,239	81,050,000	43,769,761	14,866,194	15,683,018
Total	43,755,083	233,875,000	190,119,917	155,103,350	155,920,174

Figures in Taka

5.02(a): Carrying value of Revaluation surplus

Particular	2021	2020
Opening Balance	155,920,174	156,745,596
Less: Adjustment of excess depreciation	(816,824)	(825,422)
Closing Balance	155,103,350	155,920,174

5.03 Fair Value Reserve

Particular	2021	2020
Opening Balance	394,820,153	270,154,072
Transfer from other comprehensive income	4,143,073	124,666,081
Closing Balance	398,963,226	394,820,153

6.00 Balance of Fund & Account:

As per para 27 A (2) (b) Insurance Act' 1938 for the purpose of sub-section (1) the Company has made necessary provision for un-expired risk reserve during the year 40% of net premium on Fire, Marine, Motor, Miscellaneous and 100% on Marine Hull business. Class wise un-expired risk reserve is as follows:

Class of Business	Net Premium	Percentage	2021	2020
Fire	127,861,526	40%	51,144,610	36,623,794
Motor	92,195,195	40%	36,878,078	40,649,768
Miscellaneous	8,096,625	40%	3,238,650	6,656,226
Marine	151,089,443	40%	60,435,777	51,148,552
Marine Hull	1,074,417	100%	1,074,417	177,084
Total	380,317,206		152,771,533	135,255,424

7.00 Premium Deposits:

The below mentioned amount includes premium received against cover notes for which policies have not been issued within 31st December 2021. While the risks against non-marine hull have been assumed from the issuance of cover notes, risks against marine cargo have not been assumed until shipment advice are provided and accordingly, policies are issued.

This represents the amount deposited with the Company against cover notes for which no policy has been issued up to 31st December 2021. The breakup is as under:

Particular	2021	2020
Marine Cargo	35,454,416	25,094,299
Total	35,454,416	25,094,299

8.00 Gratuity Fund:

The Company has been made the provision for Employee's Gratuity Fund during the year as per International Accounting Standard (IAS)-19 under employee's retirement benefit scheme.

Figures in Taka

Particulars	2021	2020
Opening Balance	32,204,694	27,792,334
Add: Provision made this year	11,000,000	9,000,000
Less: Paid during the year	(11,710,777)	(4,587,640)
Closing Balance	31,493,917	32,204,694

9.00 Reserves for Corporate Social Responsibility (CSR):

Particulars	2021	2020
Opening Balance	2,777,526	3,540,026
Add: Provision made this year	500,000	1,000,000
Less: Payment during the year	(235,000)	(1,762,500)
Closing Balance	3,042,526	2,777,526

10.00 Deferred Liability for Tax:

Particulars	2021	2020
Opening Balance	65,604,204	54,277,509
Add: Provided for the year	76,589	11,326,695
Closing Balance	65,680,793	65,604,204

Details calculation of Deferred Liability for Tax is as follows:

Particulars	2021	2020
(a) Property, Plant & Equipment at cost:		
(i) WDV of fixed asset at accounting base	117,278,775	115,666,998
(ii) WDV of fixed asset at Tax base	69,289,532	67,250,556
(iii) Taxable temporary difference (i-ii)	47,989,243	48,416,442
Tax Rate	37.50%	37.50%
(iv) Closing Deferred Tax Liability	17,995,966	18,156,166
(v) Opening Deferred Tax Liability	18,156,166	18,251,740
(vi) Provision for Deferred Tax Expenses / (Income) (iv-v)	(160,200)	(95,574)

Figures in Taka

Particulars	2021	2020
(b) Gratuity Payable:		
(i) At accounting base	(31,493,917)	(32,204,694)
(ii) At Tax base	-	-
(iii) Deductible temporary difference (i-ii)	(31,493,917)	(32,204,694)
Tax Rate	37.50%	37.50%
(iv) Closing Deferred Tax Liability	(11,810,219)	(12,076,760)
(v) Opening Deferred Tax Liability	(12,076,760)	(10,422,125)
(vi) Provision for Deferred Tax Expenses / (Income) (iv-v)	266,541	(1,654,635)
(c) Revaluation on Building:		
(i) WDV at accounting base	24,831,446	26,138,364
(ii) WDV at Tax base	-	-
(iii) Taxable temporary difference (i-ii)	24,831,446	26,138,364
Tax Rate	37.50%	37.50%
(iv) Closing Deferred Tax Liability	9,311,792	9,801,887
(v) Opening Deferred Tax Liability	9,801,887	10,317,775
(vi) Provision for Deferred Tax Expenses / (Income) (iv-v)	(490,094)	(515,889)
(d) Revaluation on Land:		
(i) WDV at accounting base	146,350,156	146,350,156
(ii) WDV at Tax base	-	-
(iii) Taxable temporary difference (i-ii)	146,350,156	146,350,156
Tax Rate	4.00%	4.00%
(iv) Closing Deferred Tax Liability	5,854,006	5,854,006
(v) Opening Deferred Tax Liability	5,854,006	6,113,000
(vi) Provision for Deferred Tax Expenses / (Income) (iv-v)	-	(258,994)
(e) Fair Value Reserve:		
(i) Carrying value at accounting base	443,292,473	438,689,059
(ii) Carrying value at Tax base	-	-
(iii) Taxable temporary difference (i-ii)	443,292,473	438,689,059
Tax Rate	10.00%	10.00%
(iv) Closing Deferred Tax Liability	44,329,247	43,868,906
(v) Opening Deferred Tax Liability	43,868,906	30,017,119
(vi) Provision for Deferred Tax Expenses / (Income) (iv-v)	460,341	13,851,787
Closing Deferred Liability for Tax in this year	76,589	11,326,695
11.00 Unclaimed Dividend Account:		
Year		
Upto 2017	4,933,047	4,933,047
2018	996,484	996,484
2019	1,598,934	1,598,934
2020	1,061,925	-
	8,590,390	7,528,465

12.00 Estimated Liability in respect of Outstanding Claims Whether Due or Intimated:*Figures in Taka*

Class of Business	2021	2020
Fire	27,120,058	20,037,266
Marine	21,975,434	49,321,001
Motor	15,784,075	19,534,863
Miscellaneous	1,134,132	2,602,302
Total	66,013,699	91,495,432

All the claims of which the company received intimation within 31st December 2021 have been taken into consideration while the estimating the liability in respect of outstanding claims.

13.00 Amount Due to Other Person or Bodies Carrying on Insurance Business :

This amount is payable to Sadharan Bima Corporation on account of re-insurance arrangements with them and to other local insurance companies under co-insurance scheme. Break up of the amount is as under:

Particulars	2021	2020
Sadharan Bima Corporation Treaty Business	54,754,290	33,756,719
Port Folio Commission on Acceptance	11,504	11,504
Port Folio Loss Withdraw	888,955	888,955
Co-Insurance Business	375,210	275,380
Total	56,029,959	34,932,558

14.00 Sundry Creditors:

Particulars	2021	2020
Bills Payable	165,219	145,270
Tax Deduction on Employee's Salaries	699,300	610,225
VAT	2,409,282	3,025,210
Commission Payable	6,885,844	784,749
Provision for Incentive Bonus	10,000,000	12,500,000
Provision for Audit Fee	772,500	250,000
Provision for Office Rent	72,088	423,897
Provision for Income Tax (Notes: 14.01)	332,797,534	304,275,799
Security Receipts	100,000	100,000
Outstanding Refund Premium	2,233,976	210,703
Insurance Stamps on Deposit Premium	570,210	425,671
Provision for Expenses & Others	8,224,740	9,300,000
Temporary Loan (Mercantile Bank Limited)	30,000	30,000,000
Total	364,960,693	362,051,524

14.01 Provision for Income Tax*Figures in Taka*

Particulars	2021	2020
Opening Balance	304,275,799	274,626,892
Add: Provision during the year	28,521,735	29,648,907
Less: Adjustment / Settlement during the year		
Closing Balance	332,797,534	304,275,799

15.00 Property, Plant & Equipment :

Details of the above have been shown in A-1. Depreciation has been charged on all fixed assets at "Reducing Balance Method".

Particulars	2021	2020
Cost / Revaluation:		
Opening Balance	444,635,498	442,833,566
Addition during the year	13,960,939	10,031,932
Disposal / Adjustment during the year	(11,008,500)	(8,230,000)
Closing Balance	447,587,937	444,635,498
Accumulated Depreciation:		
Opening Balance	156,479,980	150,990,631
Addition during the year	11,936,589	10,787,181
Disposal / Adjustment during the year	(9,289,009)	(5,297,831)
Closing Balance	159,127,560	156,479,981
Written Down Value	288,460,377	288,155,517

16.00 Investment :

Break up of the amount is as under:

Particulars	Note	2021	2020
Investment at Amortized Cost	16.01	85,000,000	85,000,000
Fair Value through Other Comprehensive Income	16.02	668,001,939	632,182,772
Total		753,001,939	717,182,772

16.01 Investment at Amortized Cost

Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held to maturity. Break up of the amount is as under:

Particulars	2021	2020
BD Govt. Treasury Bond (10yrs)	25,000,000	25,000,000
Investment to PSL	60,000,000	60,000,000
Total	85,000,000	85,000,000

16.01(a) BD Govt. Treasury Bond (BGTB)

Particulars of Investment	Cost Value
Govt. Treasury Bond (Deposit with NCC Bank Ltd. Motijheel Main Br.)	25,000,000

The amount Tk. 25,000,000 represented statutory deposit with Bangladesh Bank as required by Insurance Act' 2010.

Nature of Security	ISIN No.	Interest Rate	Issue Date	Maturity Date	Amount (Tk.)
10Y BGTB	BD 0923341103	12.10%	13-3-2013	13-3-2023	25,000,000

16.01(b) Investment to PSL

The amount deposited to Phoenix Securities Ltd. (PSL) for doing share trade on behalf of Phoenix Insurance Company Ltd. Actually, PICL give them empower to sale or buy the shares through CDBL to PSL A/c and the profit will be transfer to PICL accordingly.

Particulars of Investment	Amount (Tk.)
Investment to PSL	60,000,000

16.02 Fair Value through Other Comprehensive Income

Available for sale investments are those non-derivation investments that are designated as available for sale or are not classified in any other category. These are primarily those investments that are intended to be held for an undefined period of time or may be sold in response to the need for liquidity are classified as fair value through other comprehensive income. The company follows trade date accounting for 'regular way purchase and sales' of investments. As of December 31, 2021 company designated the following shares as available for sale. Details are as follows:

Particulars	No. of Shares 31/12/2021	Value at cost as on 31/12/2021	Fair Market value at cost as on 31/12/2021	Value at cost as on 31/12/2020	Fair Market value at cost as on 31/12/2020
Quoted Share:					
The City Bank Ltd.	7,074,564	107,820,464	193,135,597	76,604,711	139,032,693
Phoenix Finance & Investment Ltd.	17,139,153	65,790,248	425,050,994	65,790,248	444,647,858
Ekush First Unit Fund	93,284	932,840	1,374,059	932,840	1,062,219
ICBI Bank	100	1,990	520	1,990	430
ILFSL	8,820	145,864	58,212	145,864	52,920
Orion Pharma	27,360	1,368,000	2,492,496	1,368,000	1,496,592
Unquoted Share:					
Phoenix Medical Centre Ltd.	46,000	4,600,000	1,840,000	4,600,000	1,840,000
Phoenix Securities Ltd.	676,386	42,480,606	42,480,606	42,480,606	42,480,606
CDBL	571,181	1,569,454	1,569,454	1,569,454	1,569,454
Total		224,709,466	668,001,939	193,493,713	632,182,772

Investment in shares that do not have any quoted market price in the active market and whose fair value cannot be measured reliably, were recognized at cost.

16.03 Changes in Fair Value of the Shares*Figures in Taka*

Particulars	2021	2020
Fair value of the investment	668,001,939	632,182,772
Less: Cost price of the investment	224,709,466	193,493,713
Fair value reserve required at 31st December	443,292,473	438,689,059
Less: Fair value reserve at 1st January	394,820,153	270,154,072
Less: Adjustment for Deferred Tax	43,868,906	30,017,119
Fair Value Adjustment for the Year	4,603,414	138,517,868

17.00 Inventories : *Figures in Taka*

Particulars	Notes	2021	2020
Stationery & Forms		918,597	1,035,598
Insurance Stamps	17.01	117,385	103,825
Total		1,035,982	1,139,423

Stocks of stationery and forms have been valued at cost.

17.01 Insurance Stamps

Particulars	2021	2020
Opening Balance	103,825	179,035
Add: Purchase	1,500,000	3,500,000
Less: Recovery on Use	(1,486,440)	(3,575,210)
Closing Balance	117,385	103,825

18.00 Sundry Debtors (Including Advances, Deposit & Others) :

Particulars	2021	2020
Advance against Office Rent	10,978,180	26,423,365
Advance against Others	71,354,037	69,683,237
Security Deposit	1,056,040	1,056,040
Advance against Co-Insurance Commission	272,390	509,105
Advance Income Tax (18.01)	282,437,775	255,201,063
Collection Control Accounts (Policies & Cover Note)	188,538,983	143,158,576
P.F. Forfeited A/c	-	1,088,991
Advance against Co-Insurance Premium	1,815,933	3,648,295
Agents Balance	3,249,853	3,249,853
Total	559,703,191	504,018,525

18.01 Advance Income Tax

Particulars	2021	2020
Opening Balance	255,201,063	238,279,707
Add: Addition during the year	27,236,712	16,921,356
Less: Adjustment / Settlement during the year	-	-
Closing Balance	282,437,775	255,201,063

19.00 Amount Due from Other Persons or Bodies Carrying on Insurance Business :

Particulars	2021	2020
SBC (Treaty)	97,586,396	140,982,054
Co-Insurance Claim Recoverable	28,136,768	19,906,687
SBC (Facultative)	47,692,688	94,698,246
SBC (Treaty) Accepted	6,917,163	6,917,163
SBC (Facultative) Accepted	1,203,525	1,203,525
Port Folio Loss on Acceptance	842,668	842,668
SBC Co-Insurance Business	79,722,887	93,071,410
Total	262,102,095	357,621,753

20.00 Cash & Cash Equivalents:*Figures in Taka*

Particulars	Notes	2021	2020
Cash in Hand	20.01	60,846,139	42,293,778
STD / SND Account	20.02	95,932,907	95,804,166
Current Account		13,588,168	15,993,351
Fixed Deposit Receipt (FDR)	20.03	357,699,721	310,647,875
Total		528,066,934	464,739,170

20.01 Cash in Hand

Sl. No.	Name of Branches	2021	2020
01	Head Office	21,050,062	13,931,102
02	Local Office	10,325,178	8,524,125
03	Imamgonj Branch	901,409	36,556
04	Motijheel Branch	5,374,521	3,882,931
05	New Market Branch	2,802,309	1,734,085
06	B. B. Avenue Branch	158,253	19,640
07	English Road Branch	1,270,058	781,020
08	Mouchak Branch	569,211	400,339
09	Bangshal Branch	3,365,692	1,657,675
10	Sadarghat Branch	647,518	578,891
11	Kawran Bazar Branch	136,966	56,591
12	Gulshan Branch	12,429	17,553
13	Chawk Bazar Branch	180	31,156
14	Islampur Branch	1,270,403	551,810
15	Mirpur Branch	224,918	354,090
16	Narayangonj Branch	1,232,615	1,145,311
17	Agrabad Branch	4,881,074	2,082,696
18	Khatungonj Branch	1,261,631	1,132,109
19	Khulna Branch	1,725,878	1,731,519
20	Kushtia Branch	401,254	457,182
21	Jessore Branch	1,855,094	1,793,833
22	Rajshahi Branch	685,991	396,980
23	Bogura Branch	27,655	224,430
24	Pabna Branch	4,155	214
25	Dinajpur Branch	294,909	135,238
26	Rangpur Branch	167,150	270,200
27	Cumilla Branch	38,454	75,915
28	Sylhet Branch	7,233	22,328
29	Mymensingh Branch	83,270	123,260
30	Chaumuhani Branch	57,008	119,253
31	Barishal Branch	3,975	15,554
32	Madaripur Branch	9,687	10,192
	Total	60,846,139	42,293,778

20.02 STD / SND Account*Figures in Taka*

Name of Bank	Branch	Account No.	2021	2020
The City Bank Ltd.	Principal Office	3102020200001	15,426,341	6,367,166
Mercantile Bank Ltd.	Motijheel Br.	111913128670216	40,994,444	76,459,679
Dutch Bangla Bank Ltd.	Local Office	1011200000023	35,775,678	10,821,212
The City Bank Ltd.	Principal Office	3102020283001	3,736,444	2,156,109
			<u>95,932,907</u>	<u>95,804,166</u>

20.03 Fixed Deposit Receipt

Particulars	2021	2020
Opening Balance	310,647,875	283,374,458
Add: Creation during this year	32,500,000	9,000,000
Add: Interest Conversion to FDR	14,551,846	18,273,417
Less: FDR encashment	-	-
Closing Balance	<u>357,699,721</u>	<u>310,647,875</u>

21.00 Income Tax Expenses:

Particulars	Notes	2021	2020
Current Tax	14.01	28,521,735	29,648,907
Deferred Tax Expenses / (Income)	22.00	(383,753)	(1,750,209)
Total		<u>28,137,983</u>	<u>27,898,699</u>

22.00 Deferred Tax Expenses / (Income):

Particulars	Notes	2021	2020
Deferred Tax Liabilities as at 31st December	10.00	65,680,793	65,604,204
Less: Deferred Tax Liabilities as at 01st January	10.00	(65,604,204)	(54,277,509)
Deferred Tax Provided for the Year		76,589	11,326,695
Deferred Tax Income on Land & Building		-	(774,883)
Deferred Tax Expenses on Changes in Fair Value		460,341	13,851,787
Total		<u>(383,753)</u>	<u>(1,750,209)</u>

23.00 Interest Income :

Particulars	2021	2020
Interest on FDR's	16,551,673	20,730,158
Interest on BGTB	2,873,750	2,949,375
Interest on STD / SND Accounts	3,211,542	2,709,631
Total	<u>22,636,965</u>	<u>26,389,164</u>

24.00 Dividend Income :

Particulars	2021	2020
The City Bank Ltd.	9,985,775	8,259,236
Dhaka Bank Ltd.	-	520,670
Ekush First Unit Fund	74,626	-
Phoenix Finance & Investments Limited	-	9,152,272
CDBL	856,772	1,427,953
Total	<u>10,917,173</u>	<u>19,360,129</u>

25.00 Other Income :*Figures in Taka*

Particulars	2021	2020
Rental Income (Phoenix Bhaban)	10,000,000	15,000,000
Profit on Sale of Vehicles	3,708,911	267,831
Rental Income (Rupayan Tower)	572,906	758,400
Profit on Sale of Share	-	794,441
Income from Investment to Phoenix Securities Limited	-	300,000
Income from P.F Forfeited A/c	-	1,088,991
Total	14,281,817	18,209,663

26.00 Claim under Policies less Re-insurance:

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	Total
Claim paid during the year	40,551,123	2,386,438	2,624,690	22,264,923	860,178	68,687,352
Claim outstanding at the end of the year	27,120,058	20,390,445	1,584,989	15,784,075	1,134,132	66,013,699
Claim outstanding at the beginning of the year	20,037,266	47,555,970	1,765,031	19,534,863	2,602,302	91,495,432
Total amount-2021	47,633,915	(24,779,087)	2,444,648	18,514,135	(607,992)	43,205,619
Total amount-2020	18,506,938	(234,082)	17,476,224	22,783,002	1,087,992	59,620,074

27.00 Premium less Re-insurance:

Class of Business	On Direct Business	On Re-insurance Business	Total
Fire	338,142,753	210,281,227	127,861,526
Marine Cargo	190,168,799	39,079,356	151,089,443
Marine Hull	2,173,439	1,099,022	1,074,417
Motor	93,014,720	819,525	92,195,195
Miscellaneous	47,432,329	39,335,704	8,096,625
Total	670,932,040	290,614,834	380,317,206

28.00 Management Expenses:

As per section 40 (C-2) of Insurance Act 1938, all expenses of management excluding insurance stamps wherever incurred, whether directly or indirectly, in respect of Fire, Marine and Miscellaneous insurance business transacted in Bangladesh have been fully charged to the respective revenue accounts in the proportion of gross premium. This year total management expenses are Tk. 230,256,367 where as Tk. 228,923,984 were in 2020.

29.00 Allocation of Management Expenses:

Management expenses of the Company Tk. 230,256,367 has been allocated to the revenue accounts based on gross premium in the following ratio:

Figures in Taka

Revenue Account	Gross Premium including PSB	Ratio %	Share of Management Expenses	Stamp Expenses	Total
Fire	338,142,753	50%	115,738,805	304,500	116,043,305
Marine (Cargo)	190,168,799	28%	65,090,585	-	65,090,585
Marine (Hull)	2,173,439	0%	743,920	-	743,920
Motor	93,014,720	14%	31,836,887	282,660	32,119,547
Miscellaneous	47,432,329	7%	16,235,040	23,970	16,259,010
Total	670,932,040	100%	229,645,237	611,130	230,256,367

30.00 Earnings per Share (EPS):

The Company calculated Earnings per Share (EPS) in accordance with IAS-33 "Earnings per Share" which has been shown on the face of the income statement and this has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding for the year. Details calculations were as follows:

Particulars	2021	2020
a) Earnings attributable to ordinary shareholders (Net profit after taxation and provision)	88,788,843	93,987,074
b) Weighted average number of ordinary shares outstanding during the year	40,341,572	40,341,572
c) Earnings per Share (a/b)	2.20	2.33

The Company's Earnings per Share (EPS) decreased due to dividend income and other income have been decreased from last year..

31.00 Net Assets Value per Share (NAV):

The Company calculated Net Assets Value per Share (NAV) on the basis of the weighted average number of ordinary shares outstanding for the year. Details calculations were as follows:

Particulars	2021	2020
a) Net assets	1,609,769,467	1,577,349,909
b) Weighted average number of ordinary shares outstanding during the year	40,341,572	40,341,572
c) Net Assets Value per Share (a/b)	39.90	39.10

Maximum amount due from other persons or bodies carrying on insurance business during the year have been decreased as a result NAV have been decreased from last year.

32.00 Net Operating Cash Flow per Share (NOCFPS):

The Company calculated Net Operating Cash Flow per Share (NOCFPS) on the basis of the weighted average number of ordinary shares outstanding for the year. Details calculations were as follows:

Particulars	2021	2020
a) Net cash provided by operating activities	162,526,487	83,356,754
b) Weighted average number of ordinary shares outstanding during the year	40,341,572	40,341,572
c) Net Operating Cash Flow per Share (a/b)	4.03	2.07

The Company's Net Operating Cash Flow per Share (NOCFPS) is higher due to premium income has been increased from last year.

32.01 Reconciliation of Net Profit to Net Operating Cash Flows:*Figures in Taka*

Particulars	2021	2020
Net profit before Tax	116,926,825	121,885,772
Adjustment:		
Depreciation	11,936,589	10,787,181
Gain on disposal of fixed asset	3,708,911	267,831
Gain on sale of share	-	794,441
Changes in Working Capital:		
Increase / (Decrease) of the balance of fund & account	17,516,109	(56,717,933)
Increase / (Decrease) of premium deposit	10,360,117	8,588,724
Increase / (Decrease) of outstanding claims	(25,481,733)	8,831,107
Increase / (Decrease) of amount due to other persons or bodies	21,097,401	182,252
Increase / (Decrease) of gratuity fund	(710,777)	4,412,360
Increase / (Decrease) of reserve for corporate social responsibility	265,000	(762,500)
Increase / (Decrease) of sundry creditor except tax payable	(25,612,566)	(508,342)
(Increase) / Decrease of inventories (stationery, forms & insurance stamps)	103,441	45,857
(Increase) / Decrease of advance, deposit & prepayment except AIT & collection control A/c	(25,781,481)	4,982,325
(Increase) / Decrease of amount due from other persons or bodies	95,519,658	(2,072,559)
(Increase) / Decrease of collection controller/c	(10,084,295)	(438,406)
Income Tax paid	(27,236,712)	(16,921,356)
Net Cash Generated from Operating Activities	162,526,487	83,356,754

33.00 Key Management Personal Compensation:

Total amount of compensation paid key management personal (up to G.M) except Director and Chairman. We paid them fees for attending meeting of the Company. The detail of key management personal as per the paragraph 17, IAS of 24: "Related Party Disclosures" is presented below:

Particulars	2021	2020
	Senior Executives	Senior Executives
Basic Salary	16,541,796	15,122,148
House Rent	6,690,898	6,421,413
Medical	1,114,175	1,092,313
Corporate Allowance	1,236,000	1,236,000
Festival Bonus	2,706,966	2,427,678
Performance Bonus	2,230,796	2,040,821
Others	6,026,112	5,831,620
Provident Fund	2,813,616	1,727,974
Total	39,360,359	35,899,967

34.00 Related Party Disclosures:

Phoenix Insurance Company Ltd. In normal course of business carried out a number of transactions with other entities that fall within the definition of related party contained in International Accounting Standard (IAS) 24 "Related Party Disclosures" all transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transactions with related parties and balances thereof as at December 2021 were as follows:

Figures in Taka

Name of Related Party	Relationship	Nature of Transitions	Income
Pakiza Cotton & Spinning Mills Ltd.	Common Director	Nature of Transitions	81,324,291
Partex Group	Common Director	Nature of Transitions	14,779,738
Total			96,104,029

35.00 Director's Benefit Disclosure:

The Company pays fees to its Directors for attending the Board meeting and its Committee meetings as permitted by Insurance Development and Regulatory Authority. As per IDRA circular no- 53.03.0000.009.18.123 dated 31-05-2018, a Director may be paid fees for attending Board meeting or its Committee meetings which shall not exceed Tk. 8,000 (Eight Thousand) for attending each meeting. Details are given below:

Particulars	Attendance fee per meeting	Meeting held	Total attended	2021	2020
Board Meeting	8,000	8	87	696,000	980,400
Claims Committee	8,000	2	4	32,000	48,000
Audit Committee	8,000	4	18	144,000	136,000
N.R.C	8,000	1	4	32,000	32,000
Total				904,000	1,196,400

36.00 Auditor's Remuneration:

Zoha Zaman Kabir Rashid & Co. Chartered Accountants has been appointed as Company's Statutory Auditor for this year by the shareholders at its 34th Annual General Meeting held on 11 August, 2021 and fixed their remuneration of Tk. 250,000/- including Tax.

37.00 Contingent Liabilities:

The following claims against policy have been treated as Contingent Liability:

Name of Claimer	Type of Policy	Case Number	Claimed Amount	Remarks
M/s. Mahmood Brothers	Insurance Guarantee	1/1991	3,523,433	Pending in High Court
M/s. Euroasia Felt Industry Ltd.	Fire	143/2008	53,471,314	Pending in High Court

The issued file cases to the Lower and High Court above claims according to their demand. The Courts are yet to settle the cases. The company believed that the claims are not lawfully demandable according to the Insurance Act, will not materially affect the financial statements.

Contingent Liability for tax:*Figures in Taka*

Assessment Year	Provision for Tax	Tax Paid	Tax Demand	Remarks
2011-2012	12,000,000	11,090,121	58,247,611	Stay order by High Court
2012-2013	12,947,168	12,893,142	93,500,896	Stay order by High Court
2013-2014	37,000,000	36,903,563	87,035,976	Stay order by High Court
2014-2015	45,700,000	52,451,303	-	Self assessment U/S-82 BB
2015-2016	29,600,000	26,165,984	78,587,270	Stay order by High Court
2016-2017	37,000,000	37,506,453	68,525,390	Under appeal
2017-2018	27,600,000	13,419,042	106,499,533	Under appeal
2018-2019	20,875,220	16,029,895	-	Self assessment U/S-82 BB
2019-2020	27,200,000	17,081,113	-	Under hearing
2020-2021	24,704,504	16,767,375	-	Under hearing
2021-2022	29,648,907	29,648,907	-	Self assessment U/S-82 BB
Total	304,275,799	269,956,898	492,396,676	

38.00 Event after Balance Sheet Date:

The Board of Directors has recommended 15% cash on paid up capital for the year ended December 31, 2021 as per approval of Board meeting held on April 27, 2022 as dividend on paid up capital of Tk. 403,415,720 subject to the approval in the Annual General Meeting to be held on June 29, 2022. Proposed dividend amount of the year is Tk 60,512,358 After allowing this dividend the accumulated Profit / (loss) of the company will arrive at Tk. 8,312,475 only.

39.00 General:

1. No. of Employees received salary up to Tk. 3,000: Nil
2. No. of Employees received salary above Tk.3,000: 272.
3. The Board of Directors received no remuneration from the company other than fees for attending Board Meetings.
4. During the year 8 no. of Board Meetings were held.
5. All shares have been fully called and paid up.
6. There were no preference shares issued by the company.