

**AUDITOR'S REPORT
AND
THE FINANCIAL STATEMENTS
OF
UNION INSURANCE CO. LTD.**

For the year ended 31 December 2021

**Independent Auditor's Report to the Shareholders of
Union Insurance Co. Ltd.
Report on the Audit of Financial Statements**

Opinion

We have audited the financial statements of **Union Insurance Co. Ltd.**, which comprise the Statement of Financial Position as at December 31, 2021, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Profit and Loss and Other Comprehensive Income Appropriation Account, related Revenue Accounts, Statement of Changes in Equity, and Statement of Cash Flows for the period from January 01, 2021 to December 31, 2021 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2021, and its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Key audit matters were identified in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters except the matters of restatement of financial position presented for the year ended December 31, 2021 which described in details below. We summarized below the key audit matters in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public limited entities, our results from those procedures.

Risk	Our response to the risk
Premium Income	
Gross general insurance premium comprises the total premium received for the whole year provided by contracts entered into during the accounting period.	With respect to Premium income in respect of various types of insurance we carried out the following procedures: • The design and operating effectiveness of key controls around premium income recognition process. • Carried out analytical procedures and recalculated premium income for the period. • Carried out cut-off testing to ensure unearned premium income has not been included in the premium income.



Given the important nature, connections to other items to the financial statements and sensitivity of the items we believe this area pose high-level of risk.	• On a sample basis, reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. • Ensured on a sample basis that the premium income was being deposited in the designated bank account. • Tested on a sample basis to see that appropriate VAT was being collected and deposited into bank through Treasury Challan. • For a sample, insurance contracts tested to see if appropriate. Level of reinsurance was done and whether that re-insurance premium was deducted from the gross premium. • Applying specialist's judgment ensured if there is any impairment of the reinsurer. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
Investment Fluctuation Fund	
The company made a number of investments in the listed and unlisted capital market with required regulatory permission. Income generated from the investments (realized gain and dividend received) is credited to the Profit & Loss Account. Unrealized capital gain or loss if any is transferred to the Investment Fluctuation Fund subsequently or as per the policy of the company. This item has significant impact on the earnings performance of the company and return to the shareholders and might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the company.	We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the company from trusted sources. Additionally, we performed the following: • Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report. • Recalculated unrealized gain or loss at the year end. • Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
Estimated liability in respect of outstanding claims whether due or intimated and claim payment	
This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario, this item may have going concern implications for the company.	We tested the design and operating effectiveness of controls around the due and intimated claim recording process. We additionally carried out the following substantive testing's around the item : • Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis. • Obtained a sample of claimed policy copy and cross check it with claim. • Obtained a sample of survey reports and cross checked those against respective ledger balances and in case of discrepancy carried out further investigation. • Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate. • Tested a sample of claims payments with intimation letter, survey report, bank statements, claim payment register and general ledger. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.



Details of head-wise restated amounts during the period from January 01, 2021 to December 31, 2021 have been presented according to the Financial Statements.

- Balance of Profit & Loss Appropriation (PLA) Account is Taka 82,842,386 as at December 31, 2021 which has been arisen due to restatement made in the heads of Proposed Dividend, Revaluation Reserve, and Income Tax implications in last four years audited financial statements. - Balance of Revaluation Reserve is Taka 33,442,744 in the audited financial statements as at December 31, 2021 which is related amount of Taka 116,390,929 by not considering revaluation of assets other than land and Building. - Balance of WPPF is Taka 25,857,448 as at December 31, 2021 which is restated due to changed of PLA amount and also charged interest on remaining balance of WPPF since 2016. - Restated balance of Provision for Current Tax and Deferred Tax Liability Taka 2,049,262 and Taka 4,782,446 respectively as at December 31, 2021. The above balances are by charging interest on WPPF, interest of FDR, Transfer of Revaluation Reserve to PLA, and Restatement of Revaluation Reserve. - The carrying value of the Property, Plant & Equipment is Tk. 149,833,673 as at December 31, 2021. The valuation of tangible fixed assets was identified as a key audit matter due to significant impact of revaluated amount land & building in the Financial Statements. - Sundry Debtors and Amount due from other persons or bodies carrying on Insurance business is Tk. 337,070,882 and 340,281,754 respectively as at December 31, 2021. The above balances have been restated due to transaction issues with Shadharan Bima Corporation (SBC) recalculation and found the need of this restatement.	We have revisited the above mentioned periodic Financial statement to assessed the restated mentioned head's and followed the following procedures: - To justify the Profit & Loss Appropriation balance, we collected and reviewed revaluation report, Board Resolution regarding proposed dividend amount merged with PLA and recalculated Income Tax amount both Current & Deferred Tax. - We have confirmed the Revaluation reserve balance from Revaluation report and also collected resolution of Board Minutes to confirm the total balance of revaluated amount by segregating others assets value and land & building value. - We have recalculated the balance of WPPF as well as interest charged thereon on a yearly basis. - We have confirmed the balance of Provision for Current Tax and deferred Tax by recalculating impact of tax amount as per IAS-12. We also collected relevant supporting documents as well as Board Resolution from the management. - We assessed whether the accounting policies in relation to the revaluation of fixed asset has been made in compliance with IAS-16 and found them to be consistent. We also obtained revaluation report from the management and checked & confirmed the balance of revaluation reserve. - We assessed the restated amount with the correspondence letter of SBC and also checked the recalculation method. We have also collected board meeting resolution regarding the issues.
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Other Information

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

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



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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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



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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and the other applicable Laws and Regulations, We also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) The Company's management has followed relevant provisions of laws and rules in managing the affairs of the company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns of the purpose of our audit have been received adequately from branches but the branches have not been visited by us;
- d) As per section 63(2) of the Insurance Act, 2010 as amended, we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been fully charged to the related Revenue Account and the statement of profit or loss & other comprehensive income of the company;
- e) As per section 54(5) of Insurance Act 2010 as amended, we report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form outside Bangladesh in respect of any of its business reinsured abroad;
- f) The Company's Statement of Financial Position, Statement of Profit & Loss and Other Comprehensive Income, Statement of Related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows of the Company together with the Annexed Notes dealt with by the report are in agreement with the books of accounts and returns; and
- g) The expenditure incurred was for the purpose of the Company's business.

Place: Dhaka
Date: June 05, 2022


Fouzia Haque, FCA

Partner

FAMES & R
Chartered Accountants
DVC # 2206221032AS886149



Union Insurance Co. Ltd.
Balance Sheet (Statement of Financial Position)
As at December 31, 2021

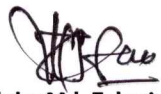
Particulars	Notes	Amount in Taka	Amount in Taka
		January 01,2021 to December 31,2021	January 01,2020 to December 31,2020
Shareholders' Equity & Liabilities			
Shareholders' Equity			
Authorised Capital			
100,000,000 Ordinary shares of Tk.10 each	3.00	1,000,000,000	1,000,000,000
Paidup Capital			
48,402,260 Ordinary share of Tk. 10 each fully paid up	3.01	484,022,600	290,413,560
Reserve or Contingency Accounts	4.00	260,773,946	214,715,840
Reserve for Exceptional Losses	4.01	144,488,816	108,145,824
Profit & Loss Appropriation Account		82,842,386	69,411,411
Revaluation Reserve	4.02	33,442,744	37,158,604
Total Shareholders Equity		744,796,546	505,129,400
Liabilities and Provisions			
Balance of Fund and Account	5.00	263,948,540	231,138,992
Fire Insurance Revenue Account		85,982,869	104,830,215
Marine Cargo Insurance Revenue Account		111,423,530	70,420,966
Marine Hull Insurance Revenue Account		36,103,208	19,703,540
Motor Insurance Revenue Account		20,435,148	26,973,804
Miscellaneous Insurance Revenue Account		10,003,784	9,210,467
Deposit Premium	6.00	1,921,875	2,182,604
Deferred Tax Liability	7.00	4,782,446	5,210,079
Estimated Liability in respect of outstanding Claim	8.00	56,905,000	12,500,000
Amount due to other persons or bodies carrying on insurance businesses	9.00	8,236,528	2,013,359
Worker's Profit Participation Fund	10.00	25,857,448	20,735,458
Provision for Income Tax	11.00	127,368,171	159,629,932
Lease Liability	12.00	15,752,018	10,792,774
Sundry Creditor	13.00	16,978,111	12,294,813
Total Liabilities and Provisions		521,750,137	456,498,011
Total Shareholders' Equity & Liabilities		1,266,546,682	961,627,411



Union Insurance Co. Ltd.
Balance Sheet (Statement of Financial Position)
As at December 31, 2021

Particulars	Notes	Amount in Taka	Amount in Taka
		January 01,2021 to December 31,2021	January 01,2020 to December 31,2020
Property and Assets			
Non-Current assets		197,927,640	185,374,960
Investment	14.00	32,341,950	27,837,900
Property, Plant and Equipments	15.00	149,833,673	146,744,286
Right of use Assets	16.00	15,752,018	10,792,774
Current assets		683,359,912	587,622,083
Sundry Debtors	17.00	337,070,882	246,762,033
Interest Receivable	18.00	3,999,314	3,423,870
Stock of printing, stationery & stamp	19.00	2,007,963	2,413,034
Amount due from other persons or bodies carrying on insurance businesses	20.00	340,281,754	335,023,146
Cash and Cash Equivalents	21.00	385,259,129	188,630,369
Cash in Hand		49,783,847	49,916,375
Broker House		6,759	23,502
Cash at Banks-STD Accounts		20,086,831	26,743,785
Cash at Banks on-CD Accounts		509,915	850,169
Cash at Banks- IFIC (Principal Br) STD-0100150047042 Accounts		193,733,606	-
Investment in FDR	21.01	121,138,171	111,096,538
Total Assets		1,266,546,682	961,627,411
Net Asset Value (NAV) Per Share	30.00	15.39	17.39

The accompanying notes from an integral part of these Financial Statements.


Talukder Md. Zakaria Hossain
Chief Executive Officer


Jahangir Alam
Director


Md. Azizur Rahman
Director


Mozaffar Hossain Paltu
Chairman

Signed in terms of our separate report of even date.

Date: June 05, 2022
Place : Dhaka


Fouzia Haque, FCA
Partner

FAMES & R
Chartered Accountants
DVC # 2206221032AS886149



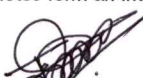
Union Insurance Co. Ltd.
Profit and Loss Account (Statement of Profit or Loss and other Comprehensive Income)
For the year ended December 31, 2021

Particulars	Notes	Amount in Taka	Amount in Taka
		January 01, 2021 to December 31, 2021	January 01, 2020 to December 31, 2020
Underwriting Profit / (Loss) Transferred from:		84,073,094	125,366,564
Fire		(76,451,210)	3,338,461
Marine Cargo		104,416,788	92,123,331
Marine Hull		8,096,568	(2,842,960)
Motor		37,803,953	18,729,606
Miscellaneous		10,206,996	14,018,126
Non-Operating Income:			
Interest, Dividend and Rents		16,578,678	11,354,190
(Not applicable to any particular fund or account)			
Interest Income	23.00	12,431,032	9,968,373
Realise Gain/ (Loss) on Investment in shares		2,147,930	41,218
Unrealise Gain/ (Loss) on Investment in shares	14.02	1,701,230	724,880
Dividend Income	-	3	-
Profit on sale of Fixed Assets	24.00	298,483	619,719
Total Income		100,651,772	136,720,755
Less: Expenses of management			
(Not applicable to any particular fund or account)		48,886,820	49,831,254
Advertisement & Publicity		35,000	1,094,184
Audit fees		185,000	237,500
Legal & Professional Fees		52,900	896,950
Financial Expenses		-	2,590,211
AGM Expenses		149,936	387,633
Director's fees	32.00	1,112,000	730,400
Donations & Subscriptions		3,103,000	2,261,123
ROU assets Finance cost		4,205,817	461,713
Interest on Worker's Profit Participation Fund		1,036,773	1,040,678
Leavy charge		100,000	100,000
Group Insurance premium		885,025	824,975
Registration Fees & Renewals		1,312,685	833,300
Depreciation	22.00	36,708,684	38,372,588
Net Profit Before Tax (Transferred to profit & loss Appropriation Account)		51,764,952	86,889,500
Total		100,651,772	136,720,755

The accompanying notes form an integral part of these Financial Statements.


Talukder Md. Zakaria Hossain

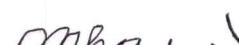
Chief Executive Officer


Jahangir Alam

Director


Md. Azizur Rahman

Director


Mozaffar Hossain Paltu

Chairman

Signed in terms of our separate report of even date.



Fouzia Haque, FCA
Partner

FAMES & R

Chartered Accountants

DVC # 2206221032AS886149

Date: June 05, 2022
Place : Dhaka



Union Insurance Co. Ltd.
Profit and Loss Appropriation Account
For the year ended December 31, 2021

Particulars	Notes	Amount in Taka	Amount in Taka
		January 01, 2021 to December 31, 2021	January 01, 2020 to December 31, 2020
Opening balance of Appropriation Account		69,411,411	81,074,256
Net Profit for the year brought down		51,764,952	86,889,500
Revaluation Reserve Transfer		3,715,860	4,128,734
Total		124,892,224	172,092,490
		42,049,838	102,681,079
Reserve for Exceptional Losses		36,342,992	27,414,608
Provision for Companies Income Tax	11.01	2,049,262	20,354,335
Worker's Profit Participation Fund	10.01	4,085,217	4,827,957
Provision for deferred tax	7.01	(427,633)	(422,528)
Dividend		-	50,506,707
Balance transferred to balance sheet		82,842,386	69,411,411
Total		124,892,224	172,092,490
Earning Per Share (Basic EPS) Tk.10 each (IAS #33)	2.18	1.58	2.14
Diluted earning per share Tk.10 each	2.18	0.95	-

The accompanying notes from an integral part of these Financial Statements.

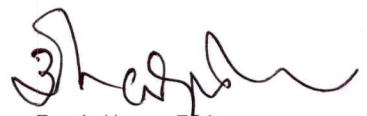

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Fouzia Haque, FCA
Partner

Date: June 05, 2022
Place : Dhaka

FAMES & R
Chartered Accountants
DVC # 2206221032AS886149



Union Insurance Co. Ltd.
Consolidated Revenue Account
For the year ended December 31, 2021

Particulars	Notes	Amount in Taka	Amount in Taka
		January 01, 2021 to December 31, 2021	January 01, 2020 to December 31, 2020
Claims under policies less re-insurances		299,626,636	123,017,167
Claims paid during the year		255,221,636	118,517,167
Claims outstanding at the end of the year		56,905,000	12,500,000
Claims outstanding at the end of the previous year		(12,500,000)	(8,000,000)
Agent Commission	25.00	39,759,239	93,155,629
Management Expenses	27.00	168,698,864	164,742,395
Balance of account at the end of the year		263,948,540	231,138,992
As shown in the Statement of financial position being reserve for unexpired risks @ 40% of premium income of the year (Fire, Marine Cargo, Motor & Misc)		263,948,540	231,138,992
Profit transferred to Profit and Loss Account		84,073,094	125,366,565
Total		856,106,373	737,420,747
Balance of Account at the beginning of the year		231,138,992	165,042,409
Premium less reinsurances		605,716,537	548,292,169
Premium underwritten	26.01	605,716,537	548,292,169
Commission on reinsurances:		19,250,844	24,086,169
Commission earned on re-insurance ceded	26.02	19,250,844	24,086,169
Total		856,106,373	737,420,747

The accompanying notes from an integral part of these Financial Statements.


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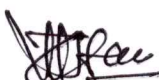
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DVC # 2206221032AS886149



Union Insurance Co. Ltd
Fire Insurance Revenue Account
For the year ended December 31, 2021

Particulars	Notes	Amount in Taka	Amount in Taka
		January 01,2021 to December 31,2021	January 01,2020 to December 31,2020
Claims under policies less re-insurances		245,318,034	90,839,370
Claims paid during the year		209,343,034	86,899,370
Claims outstanding at the end of the year		42,850,000	6,875,000
Claims outstanding at the end of the previous year		(6,875,000)	(2,935,000)
Agent Commission	25.00	14,421,023	40,765,701
Management Expenses	27.00	61,188,549	70,276,436
Balance of account at the end of the year			
as shown in the Statement of Financial Position being reserve for unexpired risks @ 40% of premium income of the year		85,982,869	104,830,215
Profit/(Loss) transferred to Profit and Loss Account		(76,451,210)	3,338,461
Total		330,459,265	310,050,184
Balance of Account at the beginning of the year		104,830,215	44,754,728
Premium less reinsurances		214,957,173	262,075,538
Premium underwritten		214,957,173	262,075,538
Commission on reinsurances		10,671,877	3,219,918
Commission earned on re-insurance ceded		10,671,877	3,219,918
Total		330,459,265	310,050,184

The accompanying notes from an integral part of these Financial Statements.


Talukder Md. Zakaria Hossain
Chief Executive Officer


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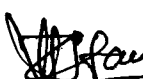
FAMES & R
Chartered Accountants
DVC # 2206221032AS886149



Union Insurance Co. Ltd
Marine Cargo Insurance Revenue Account
For the year ended December 31, 2021

Particulars	Notes	Amount in Taka	Amount in Taka
		January 01, 2021 to December 31, 2021	January 01, 2020 to December 31, 2020
Claims under policies less re-insurances		49,670,899	20,506,149
Claims paid during the year		40,700,899	20,596,149
Claims outstanding at the end of the year		10,470,000	1,500,000
Claims outstanding at the end of the previous year		(1,500,000)	(1,590,000)
Agent Commission	25.00	16,882,694	34,398,015
Management Expenses	27.00	71,633,447	61,030,837
Balance of account at the end of the year			
as shown in the Statement of financial position being			
reserve for unexpired risks @ 40% of premium income of the year		111,423,530	70,420,966
Profit/(Loss) transferred to Profit and Loss Account		104,416,788	92,123,331
Total		354,027,358	278,479,298
Balance of Account at the beginning of the year		70,420,966	84,747,123
Premium less reinsurances		278,558,824	176,052,415
Premium underwritten		278,558,824	176,052,415
Commission on reinsurances		5,047,568	17,679,760
Commission earned on re-insurance ceded		5,047,568	17,679,760
Total		354,027,358	278,479,298

The accompanying notes from an integral part of these Financial Statements.


Talukder Md. Zakaria Hossain
Chief Executive Officer


Jahangir Alam
Director


Md. Azizur Rahman
Director


Mozaffar Hossain Paltu
Chairman

Signed in terms of our separate report of even date.


Fouzia Haque, FCA
Partner

Date: June 05, 2022
Place : Dhaka

FAMES & R
Chartered Accountants
DVC # 2206221032AS886149



Union Insurance Co. Ltd
Marine Hull Insurance Revenue Account
For the year ended December 31, 2021

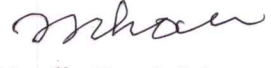
Particulars	Notes	Amount in Taka	Amount in Taka
		January 01, 2021 to December 31, 2021	January 01, 2020 to December 31, 2020
Claims under policies less re-insurances		-	-
Claims paid during the year		-	-
Paid/Adjusted on PSB		-	-
Recovered/Adjusted on PSB		-	-
Recovered/Adjusted on reinsurance ceded		-	-
Claims outstanding at the end of the year		-	-
Claims outstanding at the end of the previous year		-	-
Agent Commission	25.00	2,452,435	4,380,220
Management Expenses	27.00	10,405,709	7,507,398
Balance of account at the end of the year			
as shown in the Statement of financial position being			
reserve for unexpired risks @ 100% of premium income		36,103,208	19,703,540
of the year			
Profit/(Loss) transferred to Profit and Loss Account		8,096,568	(2,842,960)
Total		57,057,920	28,748,198
Balance of Account at the beginning of the year		19,703,540	7,072,830
Premium less reinsurances		36,103,208	19,703,540
Premium underwritten		36,103,208	19,703,540
Commission on reinsurances		1,251,172	1,971,828
Commission earned on re-insurance ceded		1,251,172	1,971,828
Total		57,057,920	28,748,198

The accompanying notes from an integral part of these Financial Statements.


Talukder Md. Zakaria Hossain
Chief Executive Officer


Jahangir Alam
Director


Md. Azizur Rahman
Director


Mozaffar Hossain Paltu
Chairman

Signed in terms of our separate report of even date.

Date: June 05, 2022
Place : Dhaka


Fouzia Haque, FCA
Partner

FAMES & R
Chartered Accountants
DVC # 2206221032AS886149



Union Insurance Co. Ltd
Motor Insurance Revenue Account
For the year ended December 31, 2021

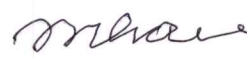
Particulars	Notes	Amount in Taka	Amount in Taka
		January 01,2021 to December 31,2021	January 01, 2020 to December 31, 2020
Claims under policies less re-insurances		4,616,046	11,616,269
Claims paid during the year		5,156,046	10,966,269
Claims outstanding at the end of the year		3,585,000	4,125,000
Claims outstanding at the end of the previous year		(4,125,000)	(3,475,000)
Agent Commission	25.00	2,900,343	9,954,813
Management Expenses	27.00	12,306,185	17,333,317
Balance of account at the end of the year			
as shown in the Statement of financial position being reserve for unexpired risks @ 40% of premium income of the year		20,435,148	26,973,804
Profit/(Loss) transferred to Profit and Loss Account		37,803,953	18,729,606
Total		78,061,675	84,607,809
Balance of Account at the beginning of the year		26,973,804	17,173,300
Premium less reinsurances		51,087,871	67,434,509
Premium underwritten		51,087,871	67,434,509
Commission on reinsurances			
Commission earned on re-insurance ceded		-	-
Total		78,061,675	84,607,809

The accompanying notes from an integral part of these Financial Statements.


Talukder Md. Zakaria Hossain
Chief Executive Officer


Jahangir Alam
Director


Md. Azizur Rahman
Director


Mozaffar Hossain Paltu
Chairman

Signed in terms of our separate report of even date.

Date: June 05, 2022
Place : Dhaka


Fouzia Haque, FCA
Partner
FAMES & R
Chartered Accountants
DVC # 2206221032AS886149



Union Insurance Co. Ltd
Miscellaneous Insurance Revenue Account
For the year ended December 31, 2021

Particulars	Notes	Amount in Taka	Amount in Taka
		January 01,2021 to December 31,2021	January 01,2020 to December 31,2020
Claims under policies less re-insurances		21,657	55,379
Claims paid during the year		21,657	55,379
Claims outstanding at the end of the year		-	-
Claims outstanding at the end of the previous year		-	-
Agent Commission	25.00	3,102,744	3,656,880
Management Expenses	27.00	13,164,974	8,594,406
Balance of account at the end of the year			
as shown in the Statement of financial position being reserve for unexpired risks @ 40% of premium income of the year		10,003,784	9,210,467
Profit/(Loss) transferred to Profit and Loss Account		10,206,996	14,018,126
Total		36,500,155	35,535,258
Balance of Account at the beginning of the year		9,210,467	11,294,428
Premium less reinsurances		25,009,461	23,026,167
Premium underwritten		25,009,461	23,026,167
Commission on reinsurances		2,280,227	1,214,663
Commission earned on re-insurance ceded		2,280,227	1,214,663
Total		36,500,155	35,535,258

The accompanying notes from an integral part of these Financial Statements.


Talukder Md. Zakaria Hossain
Chief Executive Officer

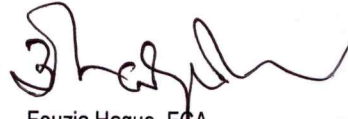

Jahangir Alam
Director


Md. Azizur Rahman
Director


Mozaffar Hossain Paltu
Chairman

Signed in terms of our separate report of even date.

Date: June 05, 2022
Place : Dhaka


Fouzia Haque, FCA
Partner
FAMES & R
Chartered Accountants
DVC # 2206221032AS886149



Union Insurance Co. Ltd
Statement of Changes in Shareholders' Equity
For the year ended December 31, 2021

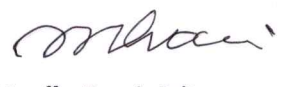
Amount in Taka

Particulars	Share Capital	Reserve for Exceptional Loss	Revaluation Reserve	Retained Earning	Total
Balance as at 01, January 2021	290,413,560	108,145,824	37,158,605	69,411,410	505,129,399
Net Profit during the period	-	-	-	51,764,953	51,764,953
Share Issued	193,609,040	-	-	-	193,609,040
Dividend paid	-	-	-	-	-
Reserve for Exceptional Losses	-	36,342,992	-	(36,342,992)	-
Provision for Income Tax	-	-	-	(2,049,262)	(2,049,262)
Provision for Deferred Tax	-	-	-	427,633	427,633
Provision for Worker's Profit Participation Fund	-	-	-	(4,085,217)	(4,085,217)
Revaluation Reserve Transfer	-	-	(3,715,860)	3,715,860	-
Balance as at 31 December.2021	484,022,600	144,488,816	33,442,745	82,842,385	744,796,546
Balance as at 31 December 2020	290,413,560	108,145,824	37,158,605	69,411,409	505,129,399


Talukder Md. Zakaria Hossain
Chief Executive Officer


Jahangir Alam
Director


Md. Azizur Rahman
Director

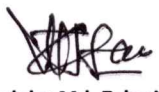

Mozaffar Hossain Paltu
Chairman

Date: June 05, 2022
Place : Dhaka

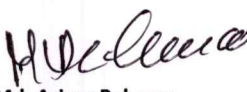


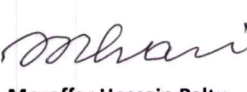
Union Insurance Co. Ltd
Statement of Cash Flows
For the year ended December 31, 2021

Particulars	Notes	Amount in Taka	
		December 31, 2021	December 31, 2020
Cash Flow from Operating Activities			
Collection from premium & Other income	33.00	667,944,970	630,910,462
Management Expenses, Re-Insurance ,Claim & Agency Commission		(558,927,652)	(465,737,418)
Income Tax paid including TDS	17.02	(9,150,563)	(12,558,631)
Net cash used in operating activities		99,866,755	152,614,413
Cash Flow from Investing Activities			
Investment of Share		2,802,820	(2,113,020)
Sale of Fixed Assets		410,000	660,000
Realise gain on Share investment		-	41,218
Advance against four purchase		(72,817,080)	(39,185,000)
Advance against four Decoration		-	(31,000,000)
Purchase of Fixed Asset		(27,144,190)	(5,107,820)
Net cash used in Investing Activities		(96,748,450)	(76,704,622)
Cash Flow from Financing Activities			
Change in Loan		-	(39,242,217)
Dividend paid		(98,575)	(9,913,511)
Share Issued		193,609,030	-
Net Cash used in Financing Activities		193,510,455	(49,155,728)
Increase in Cash and Cash Equivalents		196,628,760	26,754,063
Add: Cash and Cash Equivalents at the beginning		188,630,369	161,876,305
Cash and Cash Equivalents at the end of the year		385,259,129	188,630,369
Net Operating Cash Flows per share (NOCFPS)		2.06	5.26


Talukder Md. Zakaria Hossain
Chief Executive Officer


Jahangir Alam
Director


Md. Azizur Rahman
Director


Mozaffar Hossain Paltu
Chairman

Date: June 05, 2022
Place : Dhaka



Union Insurance Co. Ltd.
Notes to the Financial Statements
For the year ended December 31, 2021

1.00 General Information:

1.01 Legal form of the Company

Union Insurance Co. Ltd (UICL) (the "Company") was incorporated as a Public Limited Company on 24th August, 2000 under the Companies Act, 1994 having registered office in Bangladesh. UICL obtained permission to commence Insurance business from Chief Controller of Insurance, Directorate of Insurance, and Government of the Peoples Republic of Bangladesh on 27th September, 2000. The Principal place of business of the Company is at 65/2/2 (9th & 10th Floor), Box Culvert Road, Purana Paltan, Dhaka-1000, Bangladesh. Which is also the registered office of the company. UICL is engaged in Non-Life Insurance business within the meaning of Insurance Act, 2010.

1.02 Principal Activities and Nature of Operations

The Principal activity of the company continues to be carrying on non-life insurance businesses. There was no significant change in the nature of the Principal activities of the company during the year December 31, 2021 under review.

1.03 Reporting Period

The financial statements of the Company cover one calendar year starting from⁴January 2021 to 31st December, 2021.

2.00 Summary of Significant Accounting and related other policies:

2.01 Basis of Preparation

The Financial Statements have been prepared on going concern and accrual basis under the historical cost convention. The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the Insurance Act 1938 (as amended in 2010), the Insurance Rules 1958 and in conformity with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987, the listing rules of Dhaka Stock Exchange Limited and Chittagong Exchange Limited and other applicable laws & regulations in Bangladesh.

2.02 Status of compliance with IAS and IFRS

The Financial Reporting Standards that are applicable/not applicable for the financial statements for the period, include the following:

IAS 1	Presentation of Financial Statements	*
IAS 7	Statement of Cash Flows	Applied
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
IAS 10	Events after the Reporting Period	Applied
IAS 12	Income Taxes	Applied
IAS 16	Property, Plant and Equipment	Applied
IAS 19	Employee Benefits	Applied
IAS 23	Borrowing cost	Applied
IAS 24	Related Party Disclosures	Applied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	Applied
IAS 32	Financial Instruments: Presentation	Applied
IAS 33	Earnings Per Share	Applied
IAS 34	Interim Financial Reporting	Applied
IAS 36	Impairment of Assets	Applied
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Applied
IAS 38	Intangible Assets	Applied
IAS 40	Investment Property	Applied
IFRS 5	Non-currents assets held for sale and discontinued operation	N/A
IFRS 7	Financial instruments: disclosure	Applied
IFRS 8	Operating Segments	Applied
IFRS 9	Financial Instruments	Applied
IFRS 13	Fair Value Measurement	Applied
IFRS 16	Leases	Applied

* The management of Union Insurance Com Ltd has followed the principles of IAS and IFRS consistently in the preparation of the financial statements to that extent as applicable and possible to Insurance Company and material departures have been explained in note 2.24.



2.03 Components of the Financial Statements

Following the Insurance Act, 2010 and IAS-1 "Presentation of Financial Statements", the Company's complete set of financial statements include the following components:

- a) Balance Sheet (Statement of Financial Position)
- b) Profit and Loss Account (Statement of Profit or Loss and other Comprehensive Income)
- c) Profit and Loss Appropriation Account
- d) Statement of Changes in Equity
- e) Statement of Cash Flows
- f) Consolidated Revenue Account
- g) Fire Insurance Revenue Account
- h) Marine Cargo Insurance Revenue Account
- i) Marine Hull Insurance Revenue Account
- j) Motor Insurance Revenue Account
- k) Miscellaneous Insurance Revenue Account
- l) Notes to the Financial Statements .

2.04 Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplated the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any actual or proposed adjustments that would result in Union Insurance Co. Ltd. being unable to continue as a going concern.

2.05 Revenue recognition

- 1. Premium is recognized when insurance policies are issued. The sum of premium income as appeared in classified Revenue Accounts is net of the refund made, Re-insurance ceded and Reinsurance premium on PSB.
- 2. The premium in respect of Company's share of Public Sector Insurance Business (PSB) is accounted for in the period in which the relevant statement is received from Shadharan Bima Corporation (SBC).
- 3. Amounts received against issue of Cover Notes, which have not been converted into Policy are recognized as income at the earlier of Cover Notes converted into Policy or after expiry of two years of cover Notes in accordance with SBC's circular.
- 4. Interest on Fixed Deposit Receipt (FDR), Account and bonds are recognized as revenue on accrual basis.
- 5. Income from marketable securities is accounted for at actual amount earned and received on its disposal.

2.06 Accounting Estimates

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, Income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. While management believes that the amount included in the financial statement reflect the company's best estimates and assumptions, actual result could differ from estimates.

Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected the result in material adjustment to the carrying amount of assets and liabilities in the next year.

2.07 Functional and presentation currency

The financial Statements are presented in Bangladeshi Taka which is the company's functional currency except indicated otherwise.

2.08 Materiality and aggregation

Each material class of similar items is presented separately in the financial Statements. Item of dissimilar nature as well as function are presented separately unless they are immaterial.



2.09 Property, Plant and Equipment

i) Recognition and measurement

Property, plant and equipment are recognized if it is probable that future economic benefit associated with the asset will flow to the Company and cost of the asset can be measured reliably and the asset is available for use. Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost self-constructed assets includes the cost of material and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

Gains and losses on disposal of items of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. When revalued assets are sold, the relevant amount included in the revaluation reserve is transferred to retained earnings.

ii) Subsequent cost

The cost of replacing a component of an items of property, plant and equipment is recognized as an addition to asset 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.

iii) Depreciation

Depreciation is charged on straight line basis. Depreciation is charged on newly acquired assets from the date when asset is available for use in the manner intended by management. In case of disposal, depreciation charged up to the date of disposal. The rates of depreciation are furnished below;

<u>Category of Assets</u>	<u>Rate of Depreciation</u>
Office Decoration	15%
Furniture & fixture	10%
Motor Vehicle	20%
Electric Equipment	20%
Office Equipment	15%
Telephone Installation	15%
Sundry assets	15%
Building	10%
Computer	20%
Computer Software	20%

iv) De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the Profit and Loss Account (Statement of Profit or Loss and other Comprehensive Income in the year the asset is de-recognized).

v) Impairment of assets

The carrying amounts of the company's non financial assets other than deferred tax assets are reviewed at regular interval to determine when there is any indication.

An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of comprehensive income. Considering the present conditions of the assets, management concludes that there is no such indication exists.

2.10 Employee Benefits

Union Insurance Co. Ltd. offers a number of benefit plan for all permanent Employees of the company which includes Contributory Provident Fund, Workers Profit Participation Fund, Incentive Bonus, Gratuity, Group Life Scheme (GLS) and Car/Motor Cycle Loan Scheme which have been accounted for in accordance with the provision of international Accounting Standard IAS 19 (Employee Benefits).

(i) Provident Fund

Company operates a recognized provident fund. Permanent employees of the Company are eligible for the said provident fund. Employees of the Company contribute 10% (ten percent) of their basic salary and the employer makes a similar contribution. The provident fund is wholly administered by a Board of Trustees and no part of the fund is included in the assets of the Company.



(ii) Group Insurance Policy

The company has been operating a group insurance policy for all its permanent employees for the family assistance after death of any employee's as per Group insurance Policy terms & condition.

(iii) Workers Profit Participation Fund (WPPF)

The Board of Directors of Union Insurance Company Ltd. in its decided to introduce Workers' Profit Participation and Welfare Fund (WPPF) with effect from 1st January, 2016. In addition to the above, Union Insurance Company limited providing other benefits to its employees like Incentive Bonus, Group Life Scheme (GLS), Car/Motor Cycle Loan Scheme subject to fulfillment of certain terms and conditions.

(iv) Gratuity

The Company has initiated a funded gratuity scheme. The fund is in process for approval by the National Board of Revenue (NBR), and will be administered by the Board of Trustees. Employees are entitled to benefit at a graduated scale based on the length of service that completed 5 years. When the fund is approved by NBR, UICL will start contribution to the fund and recognize it the financial statements.

2.11 Expenses and Taxes

i) Recognition of expenses

All expenses relating to running of business are charged to Profit and Loss Account (Statement of Profit or Loss and other Comprehensive Income) on accrual basis.

ii) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition and construction of a qualifying asset form part of the cost of that asset and, therefore, is capitalized. Other borrowing costs are recognized as expenses.

2.12 Income tax

Income tax expense is recognized in the Profit and Loss Account (Statement of Profit or Loss and other Comprehensive Income).

i) 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 Statement of Financial Position date.

ii) Deferred tax assets / liabilities

Company recognizes deferred tax as per IAS-12 on the temporary difference between depreciation charge of assets.

2.13 Reserve or Contingencies Accounts

i) Reserve for exceptional losses

In line with Para 6, 4th Schedule of the Income Tax Ordinance 1984, to meet the exceptional losses, UICL sets aside 6.00% of the Gross Premium Income of the year in which it is set aside from the balance of the profit to the reserve for exceptional losses.

2.14 Allocation of total management expenses

Total related management expenses have been allocated among the different Revenue Accounts on pro-rata basis of their respective gross premium income.

2.15 Provisions relating to collection of premium

The company has complied with the section 18 of the Insurance Act, 1938 (as amended in 2010) as applicable in regard to provision of collection of premium.

2.16 Prohibition of Loans

Company has not granted any loan or temporary advance to any firm or company in which any director, auditor, officer, manager, actuary of the company or family member of these people has any interest as proprietor, partner, director, manager or managing agent without prior approval of the board of directors.



2.17 Segment Reporting

A business segment is a distinguishable component of the company that in providing services that are subject to risks and returns that are different from those of other business segments. The company accounts for segment reporting of operating results using the classes of business. The performance of segments is evaluated on the basis of underwriting results of each segment. The company has four primary business segments for reporting purposes namely fire, marine, motor and miscellaneous.

2.18 Earnings per share (EPS IAS # 33)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the number of ordinary shares outstanding during the period.

	December 31, 2021	December 31, 2020
Net Profit Before Tax	51,764,952	86,889,500
Less : Provision for Income Tax	(2,049,262)	(20,354,335)
Provision for Deferred Tax	427,633	422,528
Worker's Profit Participation Fund	(4,085,217)	(4,827,957)
Net Profit After Tax	46,058,106	62,129,736
Number of Ordinary Shares outstanding during the year	29,147,443	29,041,356
Earnings per share (Basic EPS)	1.58	2.14
Year 2021 EPS = $\frac{\text{Earnings attributable to ordinary shareholders}}{\text{Number of ordinary shares outstanding during the year}}$	$\frac{46,058,106}{29,147,443}$	Tk. 1.58 per share of Tk. 10/- each
Year 2020 EPS = $\frac{\text{Earnings attributable to ordinary shareholders}}{\text{Number of ordinary shares outstanding during the year}}$	$\frac{62,129,736}{29,041,356}$	Tk. 2.14 per share of Tk. 10/- each

2.19 Related party disclosure

Union Insurance Co. Ltd., in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party as per "International Accounting standards 24: Related party Disclosures". All transactions involving relating parties arising in normal course of business are conducted on an arm's length basis a commercial rates on the same terms and conditions as publishable to the third parties. Details of the related party transaction have been given in Note-30.

2.20 Statement of Cash Flows

The statement of cash flows has been prepared in accordance with IAS-7 and the cash from the operating activities has been presented using direct method.

2.21 Branch Accounting

Union Insurance Co. Ltd. now has (51) Fifty one branches with no overseas branch as of December 31, 2021. Accounts of the branches are maintained at the head office from which these financial statements are drawn up.

2.22 Employees Details:

Up to Decemerr 31, 2021, total 635 persons are employed. Among them 556 employees are full-time and no employees

No of employees' received salary more than Tk. 3,000/= per month	635	556
No of employees' received salary less than Tk. 3,000/= per month	Nil	Nil
No part time employees are employed in the company.		

2.23 Leases: IFRS 16

Union Insurance Co. Ltd. as a lease recognises Right-Of-Use (ROU) asset representing its right to use underlying leased assets and corresponding lease liability representing its obligation to make lease payments for office rent agreements with effect from 01 January 2020. The ROU asset and lease liability are recognized in the financial statements considering the incremental borrowing rate.



The ROU asset is depreciated using straight line method from the beginning to the end of the useful life of the ROU asset or the end of the lease term. The lease liability is initially measured at the present value of lease payments that are adjusted for monthly payments. Lease payments are recorded to profit and loss account as depreciation and finance charges. Details of rental expenses are included in Note 13 & 16.

2.24 Disclosure of departures from few requirements of IFRS due to mandatory compliance of Insurance Act's

- i) Gross general insurance premium comprise the total premium received for the entire period to cover, provided by
- ii) Insurance Act 1938 (as amended in 2010) has issued templates for financial statements which has to be followed by all general and life insurance companies. The templates neither include Other Comprehensive Income (OCI) nor do the elements of other comprehensive income. As such the UICL does not prepare the other comprehensive income statement.
- iii) General provision on insurance premium and re-insurance premium are created as per Insurance Act 1938 (as amended 2010) . However such general provision cannot satisfy the conditions as per IAS 37. At the year end the UICL has recognized provision of BDT 263,948,540 as balance of fund and liabilities in the balance sheet under liabilities.

2.25 Deposits Premium Account

Premium deposits account represents amount of premium deposited with the company against cover notes for which policies are yet to be issued up to the end of the year.



Amount in Taka	
31.12.2021	31.12.2020

3.00 Share Capital

Authorized Capital:

100,000,000 Ordinary shares of Tk.10.00 each

1,000,000,000 1,000,000,000

3.01 Issued, Subscribed and Paid up Capital

Opening Paid up Capital

Add: During the year

Issued, Subscribed and Paid up Capital consist of 4,84,02,260.00 Ordinary shares of Tk.10/- each fully paid.

290,413,560	252,533,530
193,609,040	37,880,030

484,022,600 290,413,560

Particulars	2021		2020	
	No. of Shares	% of holding	No. of Shares	% of holding
1. Sponsors & Directors	22,526,298	46.54%	29,041,356	100.00%
2. Institute	4,114,193	8.50%	Nil	Nil
3. Shareholder	21,761,769	44.96%	Nil	Nil
Total	48,402,260	100.00%	29,041,356	100.00%

Group "A" Shareholders (Sponsors & Directors)

Class Interval	No. of Shareholders	No. of Shares	% of holding	% Total paid-up capital
1 to 500	-	-	-	-
501 to 5000	1	2,415	0.01%	0.00%
5001 to 10000	1	5,741	0.02%	0.01%
10001 to 20000	-	-	-	-
20001 to 30000	-	-	-	-
30001 to 40000	-	-	-	-
40001 to 50000	1	44,002	0.15%	0.09%
50001 to 100000	-	-	-	-
100001 to 1000000	12	5,930,121	20.42%	12.25%
1000001 to 10000000	13	23,059,077	79.40%	47.64%
Total	28	29,041,356	100%	60%

Group "B" Shareholders (Public)

Class Interval	No. of Shareholders	No. of Shares	% of holding
1 to 500	461,977	13,229,671	27.33%
501 to 5000	749	3,382,610	6.99%
5001 to 10000	108	1,005,838	2.08%
10001 to 20000	5	80,000	0.17%
20001 to 30000	5	125,000	0.26%
30001 to 40000	5	200,000	0.41%
40001 to 50000	2	92,127	0.19%
50001 to 100000	2	193,086	0.40%
100001 to 1000000	17	6,982,693	14.43%
1000001 to 10000000	16	23,111,235	47.75%
	462,886	48,402,260	100%



4.00 Reserve or Contingency Accounts

Reserve for exceptional Losses (Note 4.01)
Retained earnings (P&L App. A/C)
Revaluation Reserve
Total

Amount in Taka	
31.12.2021	31.12.2020
144,488,816	108,145,824
82,842,386	69,411,411
33,442,744	37,158,604
260,773,946	214,715,840

4.01 Reserve for Exceptional Losses

As per paragraph 6 of the Fourth Schedule of Income Tax Ordinance 1984 @ 6.00% of the gross premium has been transferred to reserve for exceptional losses. Calculations are given below:

Balance as on January 01, 2021
Add. Reserve during the year
Total

108,145,824	80,731,216
36,342,992	27,414,608
144,488,816	108,145,824

Reserve for exceptional losses during the year @ 6.00% on Gross Premium Tk. 60,57,16,537/-

Particulars	Net Premium (Premium less re-insurance)	% of exceptional Losses	Amount in Taka	
			31.12.2021	31.12.2020
Fire	214,957,173	6.00%	12,897,430	13,103,777
Marine Cargo	278,558,824	6.00%	16,713,529	8,802,621
Marine Hull	36,103,208	6.00%	2,166,192	985,177
Motor	51,087,871	6.00%	3,065,272	3,371,725
Miscellaneous	25,009,461	6.00%	1,500,568	1,151,308
Total	605,716,537		36,342,992	27,414,608

4.02 Revaluation Reserve

Balance as on January 01, 2021
Less: Revaluation reserve transfer to retain earning
Balance as on December 31, 2021

37,158,604	41,287,338
3,715,860	4,128,734
33,442,744	37,158,604

5.00 Balance of fund and accounts

Balance of fund and accounts consists as follows:

Fire Insurance Revenue Account
Marine Insurance Revenue Account
Marine Hull Insurance Revenue Account
Motor Insurance Revenue Account
Misc. Insurance Revenue Account
Total

85,982,869	104,830,215
111,423,530	70,420,966
36,103,208	19,703,540
20,435,148	26,973,804
10,003,784	9,210,467
263,948,540	231,138,992

6.00 Deposit Premium

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

Fire
Marine
Marine Hull
Motor
Miscellaneous
Total

-	1,002,127
1,921,875	1,044,108
-	1,657
-	97,287
-	37,425
1,921,875	2,182,604

6.01 Deposit Premium

Opening Balance as on 01.01.2021

Add: Premium Deposited/Collection during the year

Less: Premium Income as per policy during the year

Closing Balance

Amount in Taka	
31.12.2021	31.12.2020
2,182,604	2,030,395
656,089,382	621,189,733
(656,350,111)	(621,037,524)
1,921,875	2,182,604

7.00 Deferred Tax Liability/(Assets)- (IAS # 12)

Depreciation as per financial statements

Tax Base

Taxable Temporary Difference

Tax Rate

Deferred Tax Liability

23,943,286	22,813,420
11,190,096	9,788,222
12,753,191	13,025,198
37.50%	40%
4,782,446	5,210,079

7.01 Change in Deferred Tax

Opening Balance

Current year charge

Closing Balance

5,210,079	5,632,607
(427,633)	(422,528)
4,782,446	5,210,079

8.00 Estimated liability in respect of outstanding claims whether due or intimated

Fire

Marine

Marine hull

Motor

Miscellaneous

Total

42,850,000	6,875,000
10,470,000	1,500,000
-	-
3,585,000	4,125,000
-	-
56,905,000	12,500,000

All claims against which the Company received intimations within December 31, 2021 have been taken into consideration while estimating the liability of outstanding claims.

9.00 Amounts due to other persons or bodies carrying on insurance business

As per the quarterly statements received from SBC amount due to other persons or bodies carrying on insurance business is as follows:

Opening Balance

Add: Payable

Less: Adjusted during the year

Less: Paid during the year

Balance

2,013,359	9,003,946
55,696,852	82,914,861
(20,025,250)	(36,305,180)
(29,448,433)	(53,600,268)
8,236,528	2,013,359

Above balance is due to Saharan Bima Corporation (SBC) on account of re insurance arrangement.

10.00 WPPF

Opening Balance

Current year's balance (Note 10.01)

Interest charge (Note 10.02)

Closing Balance

20,735,458	14,866,824
4,085,217	4,827,957
1,036,773	1,040,678
25,857,448	20,735,458

10.01 Provision for Worker's Profit Participation Fund

Profit Before Tax & WPPF

Unrealised gain on share Investment

Profit before Tax (Profit before tax & WPPF/1.05)

Provision for WPPF (Profit before Tax & WPPF @ 5%)

51,764,952	86,889,500
(1,701,230)	(724,880)
47,679,735	82,061,543
4,085,217	4,827,957

11.00 Provision for Companies Income Tax

This is made up as follows:

Opening Balance

Add: Provision for the year (Note 11.01)

Less: Adjustment during the year

Total

159,629,932	139,275,598
2,049,262	20,354,335
(34,311,023)	-
127,368,171	159,629,932



11.01 Provision of Income Tax for the year presented as follows

Profit before tax as per Profit and Loss account
Less: Reserve for Exceptional Loss
Less: Interest on National Investment Bond
Less: Provision for WPPF
Less: Gain on sale of Share Trading
Less: Unrealised gain on Share
Business Income
a) Tax on Business Income @37.5.00%
b) Tax on Gain on sale of Share @ 10%
c) Tax on Interest in National Investment Bond
Tax provision for the year

Amount in Taka	
31.12.2021	31.12.2020
51,764,952	86,889,500
36,342,992	27,414,608
2,995,000	2,995,000
4,085,217	4,827,957
2,147,930	41,218
1,701,230	724,880
4,492,583	50,885,837
1,684,719	20,354,335
214,793	4,122
149,750	-
2,049,262	20,354,335

12.00 Lease Liability (Operating leases as provision of IFRS # 16)

Opening Balance
Add: Addition during the year
Add: Interest
Less: Payment payable
Less: Paid during the year
Lease Liability Closing Balance

10,792,774	-
17,724,642	26,351,942
4,205,817	461,713
(549,659)	(889,443)
(16,421,556)	(15,131,438)
15,752,018	10,792,774

13.00 Sundry Creditor

This is made up as follows :

Management Expense

Audit fees (Including TDS & VDS)
Office Rent
Provident Fund
VAT at source
At source Tax
Gratuity Fund (Note:13.01)

Total

Other payables

Dividend Payable**

VAT (December-2021) paid in January-2022

Total

Total

186,000	110,000
549,659	889,443
4,847,040	644,370
127,489	177,080
431,841	728,206
1,717,436	-
7,859,465	2,549,099
2,614,591	2,713,166
6,504,055	7,032,548
9118646	9745714
16,978,111	12,294,813

**This amount represent amount payable to three shareholders. The company has paid the dividend amount to them in cheque but all of them did not deposited the cheque in respective bank and the validity of cheque has expired. There is no further request from the above shareholder to issue further cheque in this respect.

13.01 Provision for gratuity fund:

This is made up as follows :

Opening Balance
Add: Provision made during the year
Less: Paid during the year
Total Provision for gratuity fund

-	-
2,000,000	-
282,564	-
1,717,436	-

The company has made provision for employees gratuity fund during the year" As per provision of service rules of the Company under sec.15.3: The service rules of Union Insurance Co.Ltd. Approved by the Board of Directors on July 2020 asper service rules sec 15.3 (Annexure-08) gratuity shall be recognised from the date of Joining & IAS 19 under employees retirement benefit scheme.Balance of Tk.1,717,436 shown on Sundry Creditors amount.

14.00 Investments

The amounts have been arrived at as under:

Held to maturity (Notes 14.01)
Investment in share (Notes 14.02)
Total

25,000,000	25,000,000
7,341,950	2,837,900
32,341,950	27,837,900



Amount in Taka	
31.12.2021	31.12.2020

- 14.01 A sum of Tk. 25,000,000 was invested in Bangladesh Bank Govt. Treasury Bond at cost has been kept with National Bank Ltd. and Jamuna Bank Ltd. as statutory deposits as required under section 23 and 24 of the Insurance Act, 2010 (The First schedule item 2(B). Mentioned both the bank is authorised by Bangladesh Bank. The details of the each investment is mention below:

Nature of Security	ISIN No.	Interest Rate %	Issue date		Maturity date
20YBGTB	BD0934201205	11.98%	22-11-2014		26-11-2034
20YBGTB	BD0934201205	11.98%	24-09-2014		24-09-2034

14.02 Investment in Share

Name of the Company	No. of share as on 01.01.2021	Total cost value as on 31.12.2021	Market price as on 31.12.2021	Unrealise gain/(Loss) 31.12.2021	Unrealise gain/(Loss) 31.12.2020
BEXIMCO	23000	1,046,019.30	3,413,200.00	2,367,180.70	606,010
BGIC	5000	195,728.00	271,000.00	75,272.00	30,086
IFIC	10000	121,040.00	169,000.00	47,960.00	23,796
BD Finance	5000	236,040.50	272,000.00	35,960	-
Robi	65500	2,913,217.30	2,266,300.00	(646,917)	-
ABB1s TMF	50000	365,705.00	275,000.00	(90,705)	-
LHBL	95000	762,969.70	675,450.00	(87,520)	-
ACI	-	-	-	-	(1,698)
NBL	-	-	-	-	(1,716)
PIONEER INS.	-	-	-	-	(13,692)
SONAR BANGLA INS.	-	-	-	-	67,963
UNITED INS.	-	-	-	-	14,130
	253500	5,640,719.80	7,341,950.00	1,701,230.20	724,880

14.03 Fair Value Investment in Shares :(IFRS # 9)

Changes in the Fair value of the share:

Opening Balance	2,837,900	-
Investment during the year	1,400,000	2,095,304
Withdrawal during the year	(738,351)	-
Realised Gain	2,147,930	41,218
Closing Balance	(6,759)	(23,502)
Unrealised gain/(Loss)	1,701,230	724,880
Balance	7,341,950	2,837,900

15.00 Property, Plant and Equipment

Balance at the beginning of the year	360,087,673	356,036,653
Addition during the year	27,144,190	5,107,820
Sales/Disposal during the year	(1,975,000)	(1,056,800)
Balance at the year end	385,256,863	360,087,673
Accumulated Depreciation		
Balance at the beginning of the year	213,343,387	191,546,486
Addition during the year	23,943,286	22,813,420
Sales/Adjustment during the year	(1,863,483)	(1,016,519)
Balance at the year end	235,423,190	213,343,387
Written down value at the year end	149,833,673	146,744,286

Details of Property, plant and equipments along with depreciation charged thereon as on December 31, 2021 has been shown in **Annexure-A**. Full amount of depreciation has been charged to Administration expenses.

16.00 Right of use assets

Balance at the beginning of the year	26,351,942	-
Addition during the year	17,724,642	26,351,942
Sales/Disposal during the year	-	-
Balance at the year end	44,076,584	26,351,942
Accumulated Depreciation		
Balance at the beginning of the year	15,559,168	-
Addition during the year	-	-
Sales/Adjustment during the year	12,765,398	15,559,168
Balance at the year end	28,324,566	15,559,168
Written down value at the year end	15,752,018	10,792,774



17.00 Sundry Debtors:

This is made up as follows :

Advance against office rent
Advance against office salary
Agents balance
Advance against Security Deposit
Advance against IPO expenses
Advance deposit to VAT tribunal
Advance against Floor Decoration to ABED Holdings Ltd.
Advance against Floor Purchase (17.01)
Advance against Income Tax (17.02)
Total

Amount in Taka	
31.12.2021	31.12.2020

2,505,598	1,007,931
15,813,119	12,288,619
273,867	-
25,178,421	24,874,727
200,000	200,000
5,482,956	2,741,478
31,000,000	31,000,000
164,131,080	91,314,000
92,485,841	83,335,278
337,070,882	246,762,033

17.01 Advance against Floor Purchase :

Balance at the beginning of the year
Add: Paid to ABED Holdings Ltd.
Add: Paid to Modina Developments Ltd.
Add: Paid to Modina tower (revaluation)
Closing Balance

91,314,000	52,129,000
59,500,000	19,000,000
13,200,000	20,185,000
117,080	-
164,131,080	91,314,000

17.02 Advance Income Tax:

Balance at the beginning of the year
Deduction against Interest on STD A/C
Interest Tax paid on FDR's, NIB
Advance Deposited against vehicle
Paid through Challan/Cheques
Total

83,335,278	70,776,647
51,808	311,308
661,255	822,323
937,500	1,425,000
7,500,000	10,000,000
92,485,841	83,335,278

18.00 Interest receivable:

Accrued interest on Fixed deposit Receipts (FDR's)
Accrued interest of National Investment Bond
Total

3,751,671	3,176,227
247,643	247,643
3,999,314	3,423,870

The amount represents interest accrued but not received during the year.

19.00 Stock of printing, stationery & stamp

Printed Stationary & Stamp

2,007,963	2,413,034
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20.00 Amount due from other persons or bodies carrying on insurance businesses

The balance is made up as follows :

Receivable from Sadharan Bima Corporation (SBC)

Opening Balance
Add: Receivable
Less: Adjusted during the year

335,023,146	326,590,355
49,347,169	44,737,971
(44,088,561)	(36,305,180)
340,281,754	335,023,146

21.00 Cash and Cash Equivalents

Cash in Hand
Broker House
Cash at Banks-STD Accounts
Cash at Banks- IFIC (Principal Br) STD-0100150047042 Accounts
Cash at Banks on-CD Accounts
Investment in FDR
Total

Notes

21.01

49,783,847	49,916,375
6,759	23,502
20,086,831	26,743,785
193,733,606	-
509,915	850,169
121,138,171	111,096,538
385,259,129	188,630,369

21.01 Investment in FDR

Name of Bank:

01	Al-Arafah Islami Bank Ltd.
02	AB Bank
03	Agrani Bank Ltd
04	Bangladesh Commerce Bank Ltd.
05	Bank Asia Ltd.
06	Basic Bank Ltd.
07	Dhaka Bank Ltd.

5,200,000	2,200,000
3,000,000	2,000,000
4,500,000	-
3,000,000	2,000,000
6,000,000	5,000,000
500,000	500,000
500,000	500,000



		Amount in Taka	
		31.12.2021	31.12.2020
08	Eastern Bank Ltd.	2,000,000	2,000,000
09	Exim Bank Ltd.	26,800,000	4,500,000
10	The Farmers bank Ltd	1,500,000	1,500,000
11	IFIC Bank Ltd.	1,300,000	1,300,000
12	ICB Islamic Bank Ltd	1,000,000	-
13	Islami Bank Bangladesh Ltd.	4,100,000	2,100,000
14	Jamuna Bank Ltd	1,000,000	-
15	Mercantile Bank Ltd.	9,500,000	5,500,000
16	Mutual Trust Bank Ltd.	300,000	400,000
17	Midland Bank Ltd	1,500,000	500,000
18	Modomoti Bank Ltd	500,000	500,000
19	Meghna Bank Ltd	2,000,000	-
20	National bank Ltd	1,000,000	1,000,000
21	NRB Commercial Bank Ltd.	3,500,000	2,500,000
22	One Bank Ltd	2,000,000	-
23	Prime Bank Ltd.	3,000,000	3,000,000
24	Pubali Bank Ltd.	1,500,000	1,500,000
25	Rupali Bank Ltd.	1,398,171	1,398,171
26	Rajshi Krishi Unnayan Bank	2,000,000	-
27	Southeast Bank Ltd.	5,000,000	2,000,000
28	Padma Bank Ltd.	500,000	500,000
29	SBAC Bank ;td.	1,500,000	1,500,000
30	Shahjalal Islami Bank Ltd.	2,000,000	36,500,000
31	Social Islami Bank Ltd.	11,040,000	9,740,000
32	Standard Bank Ltd.	1,000,000	1,000,000
33	Trust Bank Ltd.	4,500,000	500,000
34	United Commercial bank Ltd.	2,000,000	19,458,367
35	Union Bank Ltd	1,000,000	-
36	City Bank Ltd.	1,000,000	-
37	Premier Bank Ltd.	3,000,000	-
		121,138,171	111,096,538
		121,138,171	111,096,538

Total FDR as on 31.12.2021

Investment in FDR consists of FDR investment with Bank's and NBF's Tk. 121.138 million as on December 31, 2021, which is readily convertible to cash at a short notice.

22.00 Depreciation

Assets Depreciation	20,227,426	18,684,686
Revaluation Assets Depreciation	3,715,860	4,128,734
ROU Assets Depreciation	12,765,398	15,559,168
Total	36,708,684	38,372,588

23.00 Interest Income

Opening Accrue previous year	(3,423,870)	(3,176,227)
Interest Received during the year	11,855,588	9,287,163
Closing Accrue	3,999,314	3,857,437
Interest Income	12,431,032	9,968,373

24.00 Profit on sale of Fixed Assets

Sales Proceeds	410,000	660,000
Less: Written down value	111,517	40,281
Profit on sale of Fixed Assets	298,483	619,719

25.00 Agent Commission

The Agent Commission have been made during the year 2021. Details are as follows:

Basis of allocation of Agent Commission

Particulars	Direct Business	Rate			
Fire	247,875,552	15%		14,421,023	40,765,701
Marine	289,909,361	15%		16,882,694	34,398,015
Marine Hull	42,419,246	15%		2,452,435	4,380,220
Motor	50,051,153	15%		2,900,343	9,954,813
Misc.	26,094,799	15%		3,102,744	3,656,880
Total-	656,350,111		-	39,759,239	93,155,629

Net Premium deposited as per schedule during the year ended December 31,2021, considering was January to February and 24, October to December 31,2021 Tk 656,350,111/- and agents Commission paid on the net premium is Tk. 39,759,239/-



Amount in Taka	
31.12.2021	31.12.2020

26.00 Revenue

Premium less re-insurance
Commission on re-insurance

Notes : 26.01
Notes : 26.02

605,716,537	548,292,169
19,250,844	24,086,169
624,967,381	572,378,338

26.01 Premium less re-insurance

Detail has been shown in Annexure-B.

26.02 Commission on re-insurance

Class of Business	Commission on re-insurance Ceded		Amount in Taka		
	Direct business	Public Sector business	31-Dec-21		31-Dec-20
Fire	9,572,343	1,099,534	10,671,877		3,219,918
Marine Cargo	3,956,811	1,090,757	5,047,568		17,679,760
Marine Hull	1,233,124	18,048	1,251,172		1,971,828
Motor	-	-	-		-
Miscellaneous	546,274	1,733,953	2,280,227		1,214,663
Total Taka	15,308,552	3,942,292	19,250,844		24,086,169

27.00 Management Expenses

This consists of the following :

Annual Conference & Picnic
Agent Licence
Salary & allowances
Bonus
Bank charge
Paper & Periodical Expenses
Bima Mela & National day exp
Cable & Internet Bill
Car Maintenance
Conveyance
Entertainment & Staff Tea
Fuel & Lubricant
Garage Rent
IDRA UMP Service Charge
IDRA (Branch Opening Fees)
Medical Allowance
Misc. Expenses
Office Maintenance
Co-insurance premium & Service charge
Employer's Contribution to PF
Printing
Software Maintenance
Repair & Maintenance
Service Charge Building
Telephone & Mobile
TADA
Stamp expenses
Training Fee
Utility Bill
Wages
Gratuity
IPO Expenses
IPO Fine (IDRA)
Management Expenses
Management Expenses (PSB)

Total

-	3,550,896
-	10,310
115,465,998	102,493,218
18,288,723	26,128,642
425,997	360,552
146,680	103,115
160,111	148,794
237,213	750,890
211,852	3,284,610
1,074,025	1,240,428
2,770,668	2,258,986
1,365,609	1,558,630
20,000	24,000
361,808	721,349
172,500	402,500
-	10,700
348,775	71,518
522,415	2,302,269
38,417	845,779
4,192,052	1,922,589
1,227,444	3,495,869
98,500	293,792
198,025	433,420
144,000	912,832
1,630,799	3,838,101
613,876	1,066,321
768,494	525,089
10,250	27,900
2,728,805	2,176,454
278,004	459,063
282,564	-
5,529,378	-
6,000,000	-
165,312,982	163,209,597
3,385,882	1,532,799
168,698,864	164,742,395



Class of Business.				Amount in Taka	
				31.12.2021	31.12.2020
	Management Expenses			31.12.2021	31.12.2020
	Expenses against Direct Business	Expense Ratio(%)	PSB Business as per Statements shown by SBC	Total Management Expenses	Total Management Expenses
Fire	59,960,460	31.88%	1,228,089	61,188,549	70276436.4
Marine	70,195,723	47.45%	1,437,724	71,633,447	61,030,837
Marine Hull	10,196,860	7.47%	208,848	10,405,709	7,507,398
Motor	12,059,193	7.69%	246,992	12,306,185	17,333,317
Miscellaneous	12,900,746	5.52%	264,229	13,164,974	8594406
Total	165,312,982	100%	3,385,882	168,698,864	164,742,395

28.00 Events after the reporting period

There is no such event after the reporting year 31 December, 2021.

29.00 Related party disclosures

Details of transaction with related parties and balances with them were as follows:

Name of The related party	Relationship	Nature of Transaction	Amount in Taka	Amount in Taka
			31.12.2021	31.12.2020
Padma Trading.	Common Director	Insurance Premium & Claim Settlement**	-	596,621
Max Electro Industries				
Moon Star				
Samota Shipping & Trading	Common Director		-	5,968,484
H.S Corporation (Prop, Md.Azizur Rahman)				
H.S Shipping lines				
H.S Corporation & M/S Sajada				
Clifton Apparels Ltd.	Common Director		-	7,211,953
Clifton Cotton Mills Ltd.				
Clifton Garments & Accessories				
Clifton Garments Ltd				
Clifton Paper Mills Ltd.				
Clifton Textile & Apparels.				
Clifton Apparels Ltd.(Knitting)				
Total				13,777,058

**Above amount presented only the premium income from the director and no claim paid to them during the above period.

30.00 Net Asset Value (NAV) per share (IAS #32)

Assets		
Investments (Fair Value)	32,341,950	27,837,900
Property, Plants & Equipment	149,833,673	146,744,286
Right of use Assets	15,752,018	10,792,774
Amount due from other persons or bodies carrying on Insurance Business	340,281,754	335,023,146
Sundry Debtors	337,070,882	246,762,033
Interest accrued but not due	3,999,314	3,423,870
Insurance Stamp	2,007,963	2,413,034
Cash and Cash Equivalents with FDR	385,259,129	188,630,369
Total Assets (A)	1,266,546,682	961,627,411
Liabilities		
Balance of Funds & Accounts	263,948,540	231,138,992
Deposit Premium	1,921,875	2,182,604
Deferred Tax Liability	4,782,446	5,210,079
Estimated Liability in respect of outstanding Claim	56,905,000	12,500,000
Amount due to other persons or bodies carrying on insurance businesses	8,236,528	2,013,359
WPPF	25,857,448	20,735,458
Provision for current Tax	127,368,171	159,629,932
Lease Liability	15,752,018	10,792,774
Account Payable	16,978,111	12,294,813
	521,750,137	456,498,011
Net Assets value (A-B)	744,796,545	505,129,400



Weighted average Number of Shares

Year 2021 =	Shareholders' Equity
	Number of ordinary shares outstanding during the year
Year 2020 =	Shareholders' Equity
	Number of ordinary shares outstanding during the year

Amount in Taka	
31.12.2021	31.12.2020
48,402,260	29,041,356

744,796,545	Tk. 15.39 per share of
48,402,260	Tk. 10/- each
505,129,400	Tk. 17.39 per share of
29,041,356	Tk. 10/- each

Cash Flow (Indirect Method)

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Income Before Tax
Less: gain on sale of fixed assets
Less: Realise gain on Share investment
Less: Unrealized Gain in Shares
Add: Depreciation
Less: Income Tax Paid

Change in Interest Receivable
Change in Amount due from Insurance
Change in Sundry Debtors (excluding AIT)
Change in Stock of Stationary
Change in Balance of Fund
Change in Lease Liability
Change in ROU Assets
Change in Premium Deposit
Change in Amount due to Insurance
Change in Claim Provision
Change in Sundry Creditors
Net Cash Provided by Operating Activities

51,764,952	86,889,500
(298,483)	(619,719)
(2,147,930)	(41,218)
(1,701,230)	(724,880)
23,943,286	22,813,420
(9,150,563)	(12,558,631)
62,410,032	95,758,472
(575,444)	(247,643)
(5,258,608)	(8,432,791)
(8,341,206)	(1,925,769)
405,071	(676,371)
32,809,548	66,096,582
4,959,244	10,792,774
(4,959,244)	(10,792,774)
(260,729)	152,209
6,223,169	(6,990,587)
44,405,000	4,500,000
4,781,873	3,339,634
99,866,745	152,614,413

31.00 Contingent Asset/Liability:

VAT liability:

The Commissioner of Customs Excise & VAT Commissionerate, Dhaka (South), Dhaka vide their letter No. ৪/মুদক/৮(২৮২)/কর ফকি/বিচার/২০১৭/১৫৬২, তারিখ: ১২/১১/২০১৭ ইং demanded an amount of VAT Tk.2,74,14,775.16 and Interest amount Taka 2,28,80,512.60 for the year 2013,2014 and 2015. The Company has submitted necessary papers and documents vide letter No. সিআইসিএন/সিও/হিসাব/৫৫সি/০২/২০১৮ তারিখ: ১২/০৮/২০১৮ against such unacceptable demand of the Commissioner of Customs, Excise & VAT Commissionerate, Dhaka (South), Dhaka. Subsequently management of UICL also appealed to the Appealed Tribunal of Customs, Excise & VAT at 19/08/2018 and the Authority has not given any decision till date.

Liability for Income Tax:

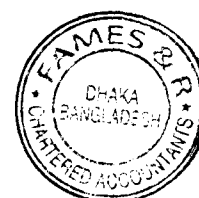
Detailed breakdown has shown in **Annexure-C**.

32.00 Director's Attendance Fees

The Company has paid Tk. 1,112,000 (including VAT) to the Directors as Meeting attendance fee during the year 2021.

Name of Directors
Mr. Mazaffar Hossain Paltu
Mr. Belayet Hossain
Mr. Md. Shajahan
Prof. M.M. Kamaluddin Chowdhury
Mr. Mohammed Hasmot Ali
Mr. Md. Azizur Rahman
Alhaj Nur Uddin Ahmed
Barrister Mashfiqur Rahman
Mrs. Shoma Alam Rahman
Mr. Mohammed Mubashair Rahman
Mrs. Bibi Wazeda
Mr. Jahangir Alam
Ms. Nasrin Sultana
Mr. Junayad Khan Asfar

129,600	56,000
79,200	32,000
28,800	40,000
21,600	48,000
100,800	48,000
86,400	56,000
100,800	48,000
36,000	32,000
7,200	16,000
14,400	-
57,600	40,000
72,000	40,000
43,200	32,000
43,200	24,000



Ferdous Khan Alamgir
Mr. Murshed Murad Ibrahim
Mrs. Mazibur Rahman Mazumder
Mr. Anjon Mozumder
Mr. Mohammad Faiz
Ms. Syed Alamgir Farrouk
Mr. M.U.A Kuader
Total
Add: VAT during the year
Total

Amount in Taka	
31.12.2021	31.12.2020
-	8,000
-	40,000
-	8,000
50,400	-
36,000	24,000
36,000	32,000
57,600	40,000
1,000,800	664,000
111,200	66,400
1,112,000	730,400

- 32.01** There was no credit facility for the year ended 31.12.2021 availed by the company under any contract other than trade credit available in normal course of business.
- 32.02** The Company neither incurred any expenses nor earned any income in foreign currency on account of royalty, technical expert & professional advisory fees, interest etc.
- 32.03** Previous years figures have been reorganized wherever necessary to conform to current years' presentation.

33.00 Collection from premium

Policy during the year
Deposit Premium Opening
Deposit Premium Closing
Total

656,350,111	621,037,524
(2,182,604)	(2,030,395)
1,921,875	2,182,604
656,089,382	621,189,733

Interest received during the year

Opening balance
Current year's Income
Receivable
Total

3,423,870	3,176,227
12,431,032	9,968,373
3,999,314	3,423,870
11,855,588	9,720,730



34.00 Commission, Brokerage or Discount against sales : Tk. 3,97,59,239/-

Commission was incurred or paid to agents as per insurance Act. 1938 as amended Act. 2010 but no brokerage or discount was incurred or paid against sales.

35.00 Attendance Status of Board Meeting of Directors

During the period from 01.01.2021 to 31.12.2021 there were 7 (Seven) Board Meeting were held. The attendance status of the Directors to the meeting are as follows:

Name of Directors	Meeting Held	Attendance	Position
Mr. Mazaffar Hossain Paltu	7	7	Chairman
Mr. Belayet Hossain	7	7	Director
Mr. Md. Shajahan	7	4	Director
Prof. M.M. Kamaluddin Chowdhury	7	3	Director
Mr. Mohammed Hasmot Ali	7	7	Director
Mr. Md. Azizur Rahman	7	7	Director
Alhaj Nur Uddin Ahmed	7	7	Director
Barrister Mashfiqur Rahman	7	5	Director
Mrs. Shoma Alam Rahman	7	1	Director
Mr. Mohammed Mubashair Rahman	7	2	Director
Mrs. Bibi Wazeda	7	7	Director
Mr. Jahangir Alam	7	7	Director
Ms. Nasrin Sultana	7	6	Director
Mr. Junayad Khan Asfar	7	5	Director
Mr. Anjon Mozumder	7	7	Director
Mr. Mohammad Faiz	7	4	Director
Ms. Syed Alamgir Farrouk	7	5	Director
Mr. M.U.A Kuader	7	7	Director

36.00 Disclosure as per requirement of Schedule XI, Part II of the Company Act. 1994

A. Disclosure as per requirement of Schedule XI, Part II, Para-7: Details of Production Capacity: N/A

B. Disclosure as per requirement of Schedule XI, Part II, Para-8: Raw Materials, Spare Parts etc. : N/A

The value of imported raw materials is calculated on CIF basis: N/A

ii) The Company has not incurred any expenditure in foreign currency for the period from 1st January 2021 to 31 December 2021 on account of royalty, know-how, professional fee, consultancy fees and interest.

iii) No Foreign exchange earned during the period from selling of Insurance Business.

iv) The Company has not earned any foreign exchanges for royalty, know-how, professional fees and consultancy

v) There was no export as per course of business from the period from 1st January 2021 to 31 December, 2021.



C. Disclosure as per requirement of Schedule XI, Part II, Para-3

Compliance status of Disclosure of Schedule XI, Part II, Para-3			
3(i)(a) The turnover		Tk.	656,350,111
3(i)(b) Commission paid to selling agents		Tk.	39,759,239
3(i)(c) Brokerage and discount of sales, other than the usual trade discount	Not Applicable	Tk.	-
3(i)(d)(i) The value of the raw materials consumed, giving item-wise as possible	Not Applicable	Tk.	-
3(i)(d)(ii) The opening and closing stocks of goods produced	Not Applicable	Tk.	-
3(i)(e) In the case of trading companies, the purchase made and the opening and closing stocks	Not Applicable	Tk.	-
3(i)(f) In the case of Companies rendering or supplying services, the gross income derived from services rendered or supplied	Not Applicable	Tk.	-
3(i)(g) Opening and closing stocks, purchases, sales and consumption of raw materials with value and quantity breakup for the Company, which falls under one or more categories i.e. manufacturing and/or trading	Not Applicable	Tk.	-
3(i)(h) In the case of other companies, the gross income derived under different heads	Not Applicable		
3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	Not Applicable		
3(i)(j) Provision for depreciation, renewals or diminution in value of fixed assets	Was made during the year		
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and the Manager	Not Applicable		
3(i)(l) Charge for income tax and other taxation on profits	Has been made during the period	Tk.	2,049,262
3(i)(m) Reserved for repayment of share capital and repayment of loans	Not Applicable	Tk.	
3(i)(n)(i) Amount set aside on proposed to be set aside, to reserves, but not including provisions made to meet any specific liability, contingency or commitment, know to exist at the date as at which the balance sheet is made up.	No		
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	No		
3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments	Complied		



3(i)(p) Expenditure incurred on each of the following items,	Not Applicable
Separately for each item; (i) Consumption of stores and spare parts	Not Applicable
(ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of	Not Applicable
Machinery (vi)(1) Salaries, wages and bonus (2) Contribution to provident and other funds (3) Workmen and staff welfare expenses to the extent not adjusted from any previous provisions or reserve.	Not Applicable

37.00 Disclosure as per requirement of schedule XI, Part-I (A. Horizontal Form) of Companies Act. 1994
Accounts Receivable

Not Applicable

F. In regard to sundry debtors the following particulars' shall be given separately.

38.00 (I) Debt considered good in respect of which the company is fully secured:

Not Applicable

The debtors occurred in the ordinary course of business are considered good and secured.

II) Debt considered good for which the company hold no security other than the debtors personal security.

There is no such debt in this respect as on 31 December, 2021

III) Debt considered doubtful or bad

The Company does not make any provision for doubtful debts as on 31 December, 2021 because of the fact that sales/export are being made on regular basis with fixed maturity dates.

IV) Debt due by directors or other officers of the Company.

There is no such debt in this respect as on 31 December, 2021

V) Debt due by Common Management

There are no amount due from sister company under common management as on 31 December, 2021

VI) The maximum amount due by directors or other officers of the Company.

There is no such debt in this respect as on 31 December, 2021

39.00 Internal Control

The following steps have been taken for implementation of an effective internal control procedure of the Company:

A strong internal control and compliance division has been formed with a view to establish a well designated system of internal control. Regular review of internal audit reports with view to implement the suggestions of internal auditors in respect of internal control technique. To establish an effective management system that includes planning, organizing and supervising to establish of its internal Control.

40.00 General Comments and Observations

Previous period's figure have been regrouped/reclassified wherever considered necessary to confirmed to current period's presentation. Figures have been rounded off to the nearest taka, as the currency represented in this financial statement. All shares have been fully called and paid up.

Auditor's are paid only statutory audit fees and provision are made for Statutory audit fees.

No foreign exchange remitted to the relevant shareholders during the period under audit.

No amount of money was expended by the company of recompensating any members of the Board for special service rendered. There was no bank guarantee issued by the Company on behalf of Directors.



Union Insurance Co. Ltd
Schedule of Property, Plant and Equipments
For the year ended December 31, 2021

Annexure-A

Sl. No.	Particulars	Cost			Rate of Depreciation	Depreciation			Written Down Value
		Balance as at 01.01.2021	Addition	Disposal		Balance as at 31.12.2021	Charged During the Year	Disposal	
1	Office Decoration	16,955,063	11,837,023		15%	28,792,086	2,558,859		14,291,883
2	Furniture & fixture	7,432,947	500,600		10%	7,933,547	366,128		4,638,394
3	Motor Vehicle	126,223,774	8,756,000	(1,975,000)	20%	133,004,774	9,441,641	(1,863,483)	93,374,727
4	Electric Equipment	14,959,864	4,312,525		20%	19,272,389	1,790,877		12,108,882
5	Office Equipment	4,068,265	210,976		15%	4,279,241	208,983		3,095,004
6	Telephone Installation	366,445	15,000		15%	381,445	14,429		299,683
7	Sundry assets	64,691	-		15%	64,691	3,148		46,851
8	Building	126,388,201	-		10%	126,388,201	5,428,948		77,527,674
9	Computer	-	1,212,066		20%	1,212,066	242,413		242,413
10	Computer Software	700,000	300,000		20%	1,000,000	172,000		312,000
	Total	297,159,250	27,144,190	1,975,000		322,328,440	20,227,426	1,863,483	205,937,511
11	Building (Revaluation)	62,928,423	-	-	10%	62,928,423	3,715,860		29,485,679
	For the year ended December 31, 2021	360,087,673	27,144,190	(1,975,000)		385,256,863	23,943,286	1,863,483	235,423,190
12	Right of use Assets	26,351,942	17,724,642	-	-	44,076,584	12,765,398	-	28,324,566
									15,752,018

For the year ended December 31, 2020

Sl. No.	Particulars	Cost			Rate of Depreciation	Depreciation			Written Down Value
		Balance as at 01.01.2020	Addition	Disposal		Balance as at 31.12.2020	Charged During the Year	Disposal	
1	Office Decoration	16,625,368	329,695		15%	16,955,063	921,536		11,733,023
2	Furniture & fixture	7,352,047	80,900		10%	7,432,947	351,187		4,272,265
3	Motor Vehicle	124,497,174	2,783,400	(1,056,800)	20%	126,223,774	9,852,671	(1,016,519)	85,796,569
4	Electric Equipment	14,315,564	644,300		20%	14,959,864	1,160,465		10,318,005
5	Office Equipment	3,551,390	516,875		15%	4,068,265	208,631		2,886,021
6	Telephone Installation	313,795	52,650		15%	366,445	14,328		285,254
7	Sundry assets	64,691	-		15%	64,691	3,704		43,703
8	Building	126,388,201	-		10%	126,388,201	6,032,164		72,098,726
9	Computer Software	-	700,000		20%	700,000	140,000		140,000
	Total	293,108,230	5,107,820	(1,056,800)		297,159,250	18,684,686	(1,016,519)	187,573,566
10	Building (Revaluation)	62,928,423	-	-	10%	62,928,423	4,128,734		25,769,819
	For the year ended December 31, 2020	356,036,653	5,107,820	(1,056,800)		360,087,673	22,813,420	(1,016,519)	213,343,385
11	Right of use Assets		26,351,942	-	-	26,351,942	15,559,168	-	15,559,168
									10,792,774



Union Insurance Co. Ltd

Statement of Premium less re-insurance
For the year ended December 31, 2021

Annexure-B

Class of Business	Premium earned		Total Premium earned	Less: re-insurance premium ceded		Amount in (Tk) 31.12.2021		Amount in (Tk) 31.12.2020	
	Direct business	Public Sector business		Direct business	Public Sector business	Total	Net Premium earned	Net Premium earned	
Fire	247,875,552	6,635,272	254,510,824	33,332,931	6,220,720	39,553,651	214,957,173	262,075,538	
Marine Cargo	289,909,361	8,046,515	297,955,876	13,678,154	5,718,898	19,397,052	278,558,824	176,052,415	
Marine Hull	42,419,246	862,798	43,282,044	6,850,688	328,148	7,178,836	36,103,208	19,703,540	
Motor	50,051,153	1,135,831	51,186,984	-	99,113	99,113	51,087,871	67,434,509	
Miscellaneous	26,094,799	28,664,277	54,759,076	1,835,079	27,914,536	29,749,615	25,009,461	23,026,167	
Total Taka	656,350,111	45,344,693	701,694,804	55,696,852	40,281,415	95,978,267	605,716,537	548,292,169	



UNION INSURANCE CO. LTD.
Class wise Underwriting Results
For the year ended 31 December 2021.

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Misc.	Amount in Taka	
							Total
Gross Premium	254,510,824	297,955,876	43,282,044	51,186,984	54,759,076		701,694,804
Less: Premium on Re-Insurance Ceded	39,553,651	19,397,052	7,178,836	99,113	29,749,615		95,978,267
Net Premium Income	214,957,173	278,558,824	36,103,208	51,087,871	25,009,461		605,716,537
Add: Commission on Re-Insurance Ceded	10,671,877	5,047,568	1,251,172	-	2,280,227		19,250,844
Add: Last years unexpired risks	104,830,215	70,420,966	19,703,540	26,973,804	9,210,467		231,138,992
Less: Agent Commission	14,421,023	16,882,694	2,452,435	2,900,343	3,102,744		39,759,239
Total Taka (A)	316,038,242	337,144,664	54,605,485	75,161,332	33,397,411		816,347,134
Net Claim	245,318,034	49,670,899	-	4,616,046	21,657		299,626,636
Add: Management Expenses	61,188,549	71,633,447	10,405,709	12,306,185	13,164,974		168,698,864
Add: Reserve of Unexpired risks	85,982,869	111,423,530	36,103,208	20,435,148	10,003,784		263,948,540
Total Taka (B)	392,489,452	232,727,876	46,508,917	37,357,379	23,190,415		732,274,040
Underwriting Profit / Loss	(76,451,210)	104,416,788	8,096,568	37,803,953	10,206,996		84,073,094

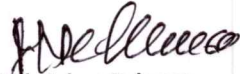


Union Insurance Co. Ltd
FORM "AA"
Classified Summary of Assets
As at December 31, 2021

SL. NO.	Class of Assets	Amount (Tk)	Amount (Tk)	Remarks
		2021	2020	
1	Investments (at cost)	32,341,950	27,837,900	Realizable Value
2	Property, Plants & Equipment	149,833,673	146,744,286	Cost less
3	Right of use Assets	15,752,018	10,792,774	Fair value
4	Amount due from other persons or bodies	340,281,754	335,023,146	Realizable Value
5	Interest accrued but not due	3,999,314	3,423,870	Realizable Value
6	Sundry Debtors	337,070,882	246,762,033	Realizable Value
7	Cash in hand & Bank Balances with FDR	385,259,119	188,630,369	Realizable Value
8	Stock of printing, stationery & stamp	2,007,963	2,413,034	Realizable Value
	Total	1,266,546,672	961,627,411	


Talukder Md. Zakaria Hossain
Chief Executive Officer


Jahangir Alam
Director


Md. Azizur Rahman
Director


Mozaffar Hossain Paltu
Chairman

Date: June 05, 2022
Place : Dhaka

