

**Independent Auditor’s Report
To the Shareholders
Of
Islami Commercial Insurance Company Limited
For The Year Ended 31st December, 2018**

April 30, 2019





ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED
MARINE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	2018		2017	
	TAKA	TAKA	TAKA	TAKA
Claims under policies less Re-insurance : Paid During the year	687,699	2,272,957	40,296,531	24,319,517
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.	2,648,510	12,640,666	88,593,689	100,741,328
Less : Outstanding claims at end of the previous year	12,640,666	3,570,661	4,478,598	4,719,657
Agent Commission	(9,304,457) 16,611,521	11,342,962 20,887,928		
Expenses of Management	53,436,460	46,620,899		
Balance of account at the end of the year : Reserve for Unexpired Risk being 40% of premium Income of the year transferred to Balance Sheet	35,437,476	40,296,531		
Profit Transferred to Profit & Loss Account	37,187,818	10,632,182		
	133,368,818	129,780,502	133,368,818	129,780,502

Balance of account at the beginning of the
(Reserve for Unexpired Risk)
Premium less Re-insurance
Commission on Re-insurance ceded
(including profit commission)

Signed as per our annexed report of even date.


Mir Nazim Uddin Ahmed
Chief Executive Officer


MG Faruk
Director


Shahida Anowar
Chairman


ISLAM AFTAB KAMRUL & Co.
Chartered Accountants



ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	AMOUNT IN TAKA	
	2018	2017
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Premium Collection & Other Income	398,091,835	397,693,979
Payment of Expenses, Re-Insurance & Claims	(320,796,692)	(289,784,553)
Income Tax Paid	(10,115,771)	(19,917,993)
Net Cash Provided by Operating Activities	67,179,372	87,991,433
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Investment in Shares	(77,791,796)	323,459
Acquisition of Fixed Assets	3,829,718	(10,624,513)
Security Deposit & Advances	(9,454,674)	(9,756,423)
Net Cash used in Investing Activities	(83,416,752)	(20,057,477)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Loan Received against Lien of FDR	-	-
Dividend paid	(5,364,816)	(4,877,106.00)
Net Cash used in Financing Activities	(5,364,816)	(4,877,106)
D. NET INCREASE IN CASH & CASH EQUIVALENT (A+B+C)	(21,602,196)	63,056,850
E. OPENING CASH & CASH EQUIVALENT	394,789,495	331,732,645
F. CLOSING CASH & CASH EQUIVALENT (D+E)	373,187,299	394,789,495

Net Operating Cash Flow per Share (NOCFS) =	$\frac{67,179,372}{2,950,648}$	$\frac{87,991,433}{2,682,408}$
	= 22.77	32.80


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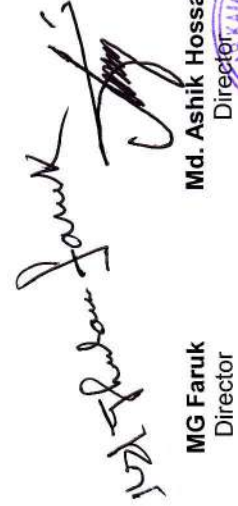


ISLAMIC COMMERCIAL INSURANCE COMPANY LIMITED

Statement of Changes in Equity for the Year ended 31st December, 2018

Particulars	Share Capital	Reserve for Exceptional Loss	Revaluation Surplus	Reserve for Investment Fluctuation Fund	Retainable Earnings	Total
Balance as on 1st January, 2018	268,240,800	128,644,927	93,854,130	4,544,401	45,114,496	540,398,754
Addition during the year		2,000,000			3,941,809	5,941,809
Stock Dividend	26,824,000	-	-	-	(26,824,000)	-
Cash Dividend					(5,364,816)	(5,364,816)
Reserve Transfer	-			-		-
Total as at 31st December, 2018	295,064,800	130,644,927	93,854,130	4,544,401	16,867,489	540,975,747
Balance as on 1st January, 2017	243,855,300	113,644,927	95,769,520	6,964,047	32,701,919	492,935,713
Stock Dividend	24,385,500	-	-	-	(24,385,500)	-
Cash Dividend					(4,877,106)	(4,877,106)
Addition during the year		15,000,000			39,759,793	54,759,793
Reserve Transfers	-		(1,915,390)	(2,419,646)	1,915,390	(2,419,646)
Total as at 31st December, 2017	268,240,800	128,644,927	93,854,130	4,544,401	45,114,496	540,398,754


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Net Assets Value per Share-2018

The price of the common stock of Islami Commercial Insurance Co. Ltd. Has been determined on the basis of net assets value, the break up of which is given below:

Particulars	Amount (Tk.)
A. ASSETS:	
Investment in Bangladesh Govt. Treasury Bond (BGTB) - at cost	25,000,000.00
Investment in Shares - at cost	193,601,258.00
Interest Accrued but not due	16,370,600.00
Amount due from other persons or bodies carrying on Insurance Business	26,978,646.00
Sundry Debtors (Including Advances, Deposits & Prepayments)	153,820,691.00
Cash in hand and at Banks	371,522,858.00
Others Accounts (Fixed Assets) without revaluation	78,948,712.00
Total	866,242,765.00
B. LIABILITIES:	
Balance of Funds and Accounts	111,530,771.00
Estimated Liabilities in respect of outstanding claims whether due or intimated	38,435,530.00
Amount due to other persons or bodies carrying on Insurance Business	137,135,780.00
Sundry Creditors (Including Provision for Expenses and Taxes)	125,853,148.00
Premium Deposite	5,953,277.00
Reserve for Investment Fluctuation Fund	4,544,401.00
Total	423,452,907.00
Net Assets (A-B)	442,789,858.00
No. Of Shares	2,950,648
Intrinsic Value / Net Assets Value per Share	150.07

We have examined the above calculation of net Assets Value (NAV) of the Company which appears to be correct.


 ISLAM AFTAB KAMRUL & Co.
 Chartered Accountants



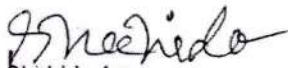
FORM - "AA"
Classified Summary of Assets of
Islami Commercial Insurance Company Limited
As at December 31, 2018

Class of Assets	Book Value	Realisable Value	Remarks (if any)
Bangladesh Govt. Treasury Bond (BGTB)	25,000,000.00	25,000,000.00	At Cost
Investment in Share	193,601,258.00	167,607,762.10	Market Value
Fixed Deposit with Banks	276,400,000.00	276,400,000.00	Realizable Value
Casht with Banks	78,881,713.00	78,881,713.00	Realizable Value
Sundry Debtors (including Advance deposit & prepayments)	153,820,691.00	153,820,691.00	Realizable Value
Interest accrued but not due	16,370,600.00	16,370,600.00	Realizable Value
Cash & Stamps in hand	16,329,936.00	16,329,936.00	At Cost
Fixed Assets	170,925,759.00	170,925,759.00	At cost less depreciation
Total Tk.	931,329,957.00	905,336,461.10	


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ISLAMI COMMERCIAL INSURANCE CO. LTD.

**Notes to the Financial Statement
For the year ended December 31, 2018**

1.00 HISTORICAL BACKGROUND

Islami Commercial Insurance Company Limited was incorporated in Bangladesh on October 18, 1999 and went into operation

The principal place of business of the Company is at City Center (Level - 16), 90/1, Motijheel C/A, Dhaka-1000.

The Company is engaged in Non Life Insurance Business with meaning of Insurance Act, 2010.

1.01 Basis of Presenting Accounts and Significant Accounting Policies:

1.02 Basis of Presenting Accounts:

a) The Accounts are prepared on a going concern basis under historical cost convention on Generally Accepted Accounting Principles and Cash Flow Statement has been prepared on direct method and accrual basis of accounting has been followed:

b) The Balance Sheet has been prepared in accordance with the regulation contained in part I of the first schedule and as per Form "A" as setforth in part II of that schedule. Profit & Loss Account and Profit & Loss Appropriation Account have been prepared in accordance with the regulation contained in part I of the second schedule and as per Form "B" & "C" setforth in part II of that schedule respectively and the Revenue Accounts of each class of General Insurance Business has been prepared in accordance with the regulation as contained in part I of the third schedule and as per Form "F" as setforth in the part II of that schedule of the Insurance Act.

1.03 Significant Accounting Polices:

a) Underwriting Business:

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

b) Segment reporting (BAS-14)

A business segment is a distinguishable component of the Company that is engaged 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 are 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.

c) Balance of Fund and Accounts:

These have been arrived at after making provision for unexpired risks @ 40% of net premium income on all class of business.

d) Management expenses :

All expenses of management incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance business transacted in Bangladesh have been apportioned on the basis of gross premium earned by each class of business.

Particulars	Percentage	Amount (Tk.)
Fire	50.78%	84,945,522.00
Marine	31.95%	53,436,460.00
Motor	10.56%	17,662,599.00
Miscellaneous	6.71%	11,228,470.00
Total	100.00%	167,273,051.00



e) Compliance of Local Laws:

The financial statements have been prepared in compliance with requirement of the Companies Act, 1994, Securities and Exchange Rules 1987, Insurance Act, 2010, Anti Money Laundering Act.-2012 and other relevant Local Laws.

f) Compliance with Bangladesh Accounting Standards (BAS):

The financial statements as on December 31, 2018 have been prepared in compliance with requirement of the Bangladesh Accounting Standards (BAS), International Financial Reporting Standards (IFRS) approved by the International Accounting Standard Board (IASB) and as adopted by the Instituted of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standard (BAS) and regulations applicable in Bangladesh.

g) Reporting Currency:

The financial statements are presented in Bangladesh Currency (Taka) which have been rounded off to the nearest taka where indicated otherwise.

h) Accounting Period:

The financial period of the Insurance Company covers one year from January 01, 2018 to December 31, 2018.

i) Fixed Assets:

All Fixed Assets of the Company shown in financial statements that are within the scope of BAS-36, are in physical existence and valued on more than their recoverable amount. Following International Accounting Standards adopted by ICAB, disclosure with regard to "Impairment of Assets" as per BAS-36 have not been considered necessary.

These are stated at cost less accumulated depreciation. Depreciation on Fixed Assets have been charged on reducing balance method at rates varying from 2% to 20% depending on the estimated useful lives of the assets and are consistently applied in relation to previous year. Depreciation on additions to fixed assets on or before June 30 of the year is charged for full year and no depreciation has been charged on assets acquired afterward.

Category of Assets:	Rate of Dep.
Office Space	2%
Office Decoration	10%
Furniture & Fixture	10%
Office Equipment	15%
Telephone Installation	15%
Air Condition	15%
Motor Vehicles	20%

j) Public Sector Business:

Company's share of Public sector business is accounted for the year in which the statement of accounts from the Sadharan Bima Corporation are received up to 31st December, 2018. Statement of accounts for the period from 1st July, 2017 to 30th June, 2018 have been received from the Sadharan Bima Corporation and accordingly, the Company's share of public sector business for the year has been accounted for in the accompanying accounts. This practice is being followed consistently.

k) Provision for Income Tax (BAS 12):

Provision for income tax for the year under audit has been made on the basis of Finance Act.



l) Revenue Recognition (BAS-18)

The total amount of premium earned on various classes of insurance business underwritten during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Sadharan Bima Corporation, the amount of re-insurance commission earned and the amount of claims less re-insurance settled during the year have all been duly accounted for in the books of accounts of the company and while preparing the final statements of accounts, the effect of re-insurance as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the year, whether due or intimated have also been duly reflected in order to arrive at the net underwriting result for the year.

m) Employee's Benefit Plan (BAS-19)

The Company has introduced Group Insurance Policy with Diamond Life Insurance Company Ltd. and Hospitalization Insurance with Fareast Islami Life Insurance Co. Ltd. as Employees Benefit Scheme.

n) Earning per Share (BAS-33)

The Company has calculated earning per share (EPS) in accordance with the International Accounting Standards (IAS) -33 "Earning per Share" as adopted by ICAB.

o) Investment:

* Investment for statutory deposit is stated at their cost of acquisition and no adjustment in respect of market value was considered necessary.

* Income on Investment, other than shares, is accounted for on accrual concept basis.

* Dividend Income on Investment on shares are accounted for at the year of receiving of such dividend.

p) CASH AND CASH EQUIVALENTS (BAS-07)

Cash Flow Statement" Cash comprises cash in hand and demand deposit and cash equivalents are short term, high Liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value BAS-1 "Presentation of Financial Statements" also provides that Cash equivalents are those who have no restriction.

q) Reserve for Exceptional Losses:

Reserve for exceptional losses as appropriated out of current year's profit before tax for Tk.20,00,000.00 as per 4th schedule of Income Tax Ordinance,1984.

r) Interest on FDR & STD:

Interest received from Banks on STD Accounts and FDR Accounts have been duly credited to the Profit and Loss Account.

s) Reserve for un-expired risks:

Surplus of revenues accounts have been arrived at after accounting for Company's share of claims settled and estimation of outstanding claims as well as after providing for unexpired risk @40% on all business.

t) Precution for Anti Money Laundering:

The Company has prepared and implemented the internal control guide line to prevent Money Laundering activity following the Bangladesh Bank Guide-Line.

u) Comparative Information:

In accordance with the provisions of BAS-1 "Presentation of Financial Statements" the comparative information has been disclosed for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements. The proposed stock dividend for the previous year of Tk.26,82,4000 has been retrospectively adjusted with the opening retained earnings which is reflected in the statement of changes in equity.

v) Events After The Reporting Period:

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate that the going concern assumption is not appropriate are reflected in the financial statements. Events after reporting period that are not adjusting events are disclosed in the notes when material.



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2.00 **SHARE CAPITAL**

a) **Authorized Capital: Tk. 75,00,00,000.00**

Divided into 75,00,000 ordinary shares of Tk. 100.00 each.

b) **Issued Subscribed & Paid up Capital: Tk. 29,50,64,800**

Divided into 29,50,648 ordinary shares of Tk. 100.00 each.

3.00 **RESERVE FOR CONTINGENCY ACCOUNTS: TK. 14,75,12,416.00**

Break up of the above amount is as under:

Particulars	Notes	Amount (In Taka)	
		2,018	2017
Reserve for Exceptional Losses	3.01	130,644,927	-
Profit & Loss Appropriation Account/Retained Earnings	3.02	16,867,489	-
		147,512,416	173,759,423

3.01 **Reserve for Exceptional Loss: TK. 13,06,44,927.00**

Break up of the above amount is as under:

	Amount (In Taka)	
	2,018	2017
Opening Balance	128,644,927	113,644,927
Provision during the year	2,000,000	15,000,000
	130,644,927	128,644,927

3.02 **Profit & Loss Appropriation Account: Tk. 1,68,67,489.00**

Details of the above has been shown in the Statement of Changes in Equity.

4.00 **REVALUATION SURPLUS [BAS-16]: TK. 9,38,54,130.00**

This is as per last account. The amount represents the reserve for revaluation of Land & Building.

5.00 **RESERVE FOR INVESTMENT FLUCTUATION FUND: TK. 45,44,401.00**

This is as per last account. As the market price goes ups and down frequently, so no provision or adjustment has been made.

6.00 **BALANCE OF FUND AND ACCOUNTS :TK. 11,15,30,771.00**

This is made up as follows:

Class of Business	%	Amount (Tk.)		%	Amount (Tk.)
		2018			2,017
Fire	40%	42,959,685	40%		29,909,037
Marine	40%	35,437,476	40%		40,296,531
Motor	40%	21,211,067	40%		18,811,692
Misc.	40%	11,922,543	40%		7,242,453
Total		111,530,771			96,259,713

7.00 **PREMIUM DEPOSIT: TK. 59,53,277.00**

The above balance represents the amount of premium received against cover notes for which policies were not issued within 31st December, 2018

8.00 **ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED : TK. 3,84,35,530.00**

The class wise amount of the above is as follows:

Class of Business	Amount (In Taka)	
	2018	2017
Fire	31,961,505	11,085,388
Marine	2,648,510	12,640,666
Motor	3,825,515	11,492,113
Misc.	-	-
	38,435,530	35,218,167

9.00 **AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS: TK. 13,71,35,780.00**

The above amount is payable to Sadharan Bima Corporation on accounts of re-insurance arrangements and to other Non Life Insurance Companies under co-insurance scheme.



10.00 SUNDRY CREDITORS: TK. 12,58,53,148.00

This is made up as follows:

	Amount (In Taka)	
	2,018	2017
Outstanding Audit Fee	70,000	70,000
Outstanding Office Rent	142,256	418,150
VAT payable	3,532,417	4,131,420
Provision for taxation (Note - 10.01)	120,406,852	118,134,007
Liability For Insurance Stamp	1,350,407	1,861,422
Liability For Office Rent - Tax	-	29,576
Liability For Credit Rating Fee - Tax	12,648	12,648
Liability for Tax on Agent Commission	230,931	1,155,563
Liability for Office Rent - VAT	53,517	30,547
Deferred Tax Liability (Note - 10.02(a))	120	532,663
Liability for Director Fee - VAT	54,000	-
Total	125,853,148	126,375,996

10.01 Provision for Taxation : Tk. 12,04,06,852.00

Details are as follows:

	Amount (In Taka)	
	2,018	2017
Opening Balance	118,134,007	110,568,692
Addition during the year	2,272,845	7,565,315
Total	120,406,852	118,134,007

An amount of Tk. 22,72,845.00 has been provided during the year as provision against tax on Profit being consideration after reserve for exceptional losses and dividend Income from share investment as per provision of Income Tax Ordinance 1984.

10.02 (a) Deferred Tax Liability : Tk. 5,32,543.00

Details are as follows:

	Amount (In Taka)	
	2018	2017
Carrying amount of Depreciable Fixed Assets	170,925,759	174,755,477
Less : Tax Base[(BAS-12(7))]	170,925,460	173,502,153
Deductible Temporary Difference	299	1,253,324
Effective Tax Rate	40.0%	42.5%
Deferred Tax Liability [BAS-12(44)]	120	532,663

(b) Deferred Tax Expense/(Income)

Closing Deferred Tax Liability	120	532,663
Opening Deferred Tax Liability	532,663	545,033
Total Deferred Tax Expense / (Income)	(532,543)	(12,370)

11.00 INVESTMENT (AT COST) IN BGTB : TK. 2,50,00,000.00

This represents the amount invested as statutory deposit under Insurance Act, 2010.



12.00 **INVESTMENT IN SHARES: TK. 19,36,01,258.00**

The above amount represents the cost price of shares of listed securities as given below:

Instrument	Qty	Cost Price	Total Cost	Market Price	Market Value
Active Fine Chemical	626400	35.91	22,493,260	28.20	17,664,480.00
Advent Pharma Ltd.	1000	36.59	36,590	40.90	40,900.00
AIBL 1st Mutual Fund	500000	10.00	5,000,000	10.00	5,000,000.00
AIBL Capital Market Services Ltd (Sponsor Share)	5000000	10.00	50,000,000	10.00	50,000,000.00
Bank Asia Ltd.	9040	4.98	44,998	17.70	160,008.00
Basuhundhara Paper Mills	15807	80.00	1,264,560	83.80	1,324,626.60
Berger Paints BD Ltd.	200	66.92	13,383	1,344.10	268,820.00
Beximco Pharma	111753	104.82	11,714,338	79.10	8,839,662.30
BIFC	1672	6.32	10,570	5.60	9,363.20
BRAC Bank	25000	71.90	1,797,519	72.70	1,817,500.00
First Security Islami Bank	146000	14.59	2,130,008	10.90	1,591,400.00
Fortune Shoes Ltd.	74750	32.20	2,407,002	31.00	2,317,250.00
Adntel	56904	10.00	569,040	10.00	569,040.00
Runner Auto	14411	75.00	1,080,825	75.00	1,080,825.00
Ekcl	41781	45.00	1,880,145	45.00	1,880,145.00
Genexil	10467	10.00	104,670	10.00	104,670.00
IBP	3239	9.09	29,450	31.10	100,732.90
ICB Islamic Bank Ltd.	20400	10.18	207,705	4.80	97,920.00
INTRACO	266	9.53	2,534	26.80	7,128.80
IPDC	35000	42.33	1,481,695	38.10	1,333,500.00
Islamic Finance and Investment Ltd	4859	3.81	18,529	17.10	83,088.90
Jamuna Bank Ltd.	3153	4.18	13,179	17.60	55,492.80
KTL	11070	9.09	100,640	25.30	280,071.00
Mercantile Bank Ltd	135000	24.76	3,342,505	18.00	2,430,000.00
ML Dying	7248	8.33	60,400	29.70	215,265.60
Mobil Jamuna Bd Ltd	18900	105.76	1,998,849	99.20	1,874,880.00
National Bank Ltd.	376000	21.35	8,028,836	9.30	3,496,800.00
Navana CNG Ltd	17500	69.91	1,223,435	47.60	833,000.00
NHFL	6000	56.28	337,703	47.70	286,200.00
Oimex	10000	38.10	380,951	37.60	376,000.00
One Bank	100000	24.17	2,416,753	15.00	1,500,000.00
Shahjalal Islami Bank Ltd.	5716	16.65	95,179	26.90	153,760.40
SilvaPHL	9104	10.10	91,940	30.10	274,030.40
Singer BD	2534	215.60	546,335	221.20	560,520.80
SkTrims	5546	9.09	50,420	46.30	256,779.80
Social Investment Bank Ltd.	143550	18.61	2,672,020	15.40	2,210,670.00
Squire Pharma	44619	280.93	12,534,634	254.20	11,342,149.80
SS Steel	13492	10.00	134,920	10.00	134,920.00
Summit Power Ltd.	4886	5.36	26,201	39.40	192,508.40
Trust Bank	100000	46.44	4,643,890	32.50	3,250,000.00
UCBL	685683	22.04	15,113,403	17.60	12,068,020.80
United Power Generation & Distribution	88000	330.64	29,095,918	290.70	25,581,600.00
Uttara Bank	200000	41.84	8,367,940	28.50	5,700,000.00
VFSTD L	4222	9.09	38,386	57.8	244,031.60
Total	8691172		193,601,258		167,607,762.10

Value of stock has been taken as per cost price instead of market price as on 31-12-2018. It is noted that a provision has been made in previous years due to variation of cost price and market price as Investment Fluctuation Fund.



13.00 INTEREST, DIVIDEND AND RENT RECEIVABLES (ACCRUED BUT NOT DUE) : TK. 1,63,70,600.00

This represents accrued interest on investment in Bangladesh Government Treasury Fund and FDR realizable on maturity of the respective investment. This is made up as follows:

	Amount (In Taka)	
	2,018	2017
Interest on FDR	15,005,600	23,437,500
Interest on BGTB	1,365,000	1,365,000
Interest on AIBL Capital	-	-
	16,370,600	24,802,500

14.00 AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS : TK. 2,69,78,646.00

This is due from the re-insurer WAICA Re (Re-Insurer) on account of claims lodged with them.

15.00 SUNDRY DEBTORS: TK. 15,38,20,691.00

	Amount (In Taka)	
	2,018	2017
Security Deposit	9,001	8,001
Advance against Salary	521,452	488,000
Advance against Office Rent	7,350,611	7,783,944
Advance to Agent	7,509,769	8,041,423
Advance against Company Tax	138,429,858	128,314,087
	153,820,691	144,635,455

16.00 CASH AND BANK BALANCES: TK. 37,15,22,858.00

This is made up as follows:

	Amount (In Taka)	
	2,018	2017
Fixed Deposit	276,400,000	312,500,000
Cash at Banks	78,881,713	72,825,414
Cash in hand	11,999,871	8,460,406
Cash with BO Account	4,241,274	28,875
	371,522,858	393,814,695

17.00 FIXED ASSETS TK. 17,09,25,759.00

Details of the above balance have been shown in the Schedule-"A"

18.00 INTEREST INCOME: TK. 1,39,52,684.00

The break up of the above is given below:

Particulars	Amount (In Taka)	
	2018	2017
Fixed Deposits	9,223,134	24,253,767
Bangladesh Government Treasury Fund	2,445,600	2,587,800
STD & CD Accounts	2,283,950	2,026,696
	13,952,684	28,868,263

19.00 CAPITAL GAIN : TK. 1,14,47,003.00

Above amount represents the profit from sale of shares.

20.00 PREMIUM LESS RE-INSURANCE: TK. 27,88,26,927.00

Particulars	Gross Premium	Ceded Premium	Net Premium	Net Premium
			2018	2017
Fire	224,241,705	116,842,492	107,399,213	74,772,592
Marine	110,743,474	22,149,785	88,593,689	100,741,328
Motor	53,746,961	719,294	53,027,667	18,106,133
Miscellaneous	74,144,740	44,338,382	29,806,358	47,029,229
	462,876,880	184,049,953	278,826,927	240,649,282

21.00 MANAGEMENT EXPENSES (for Consolidation Revenue Account) : Tk. 16,72,73,051.00

Particulars	%	2018	%	2,017
Fire insurance	50.78	84,945,522	50.78	74,111,134
Marine Insurance	31.95	53,436,460	31.95	46,620,899
Motor Insurance	10.56	17,662,599	10.56	15,409,820
Misc. Insurance	6.71	11,228,470	6.71	9,796,334
		167,273,051		145,938,187

22.00 Basic Earning Per Share (EPS)-Disclosure Under BAS - 33 "Earnings Per Share":

$$\text{Basic EPS} = \frac{\text{Earnings attributable to ordinary shareholders (Net profit after tax)}}{\text{Total number of Ordinary shares at end of the year}}$$

Computation of Earning Attributable to Ordinary Shareholders:

	2018	2017
Net Profit before Tax	7,682,111	59,893,092
Less: Provision for Income Tax	2,272,845	7,565,315
	<u>5,409,266</u>	<u>52,327,777</u>
	= 2,950,648	2,682,408
EPS =	Tk.1.83	Tk.19.51

23.00 Events after The Reporting Period

The Board of Directors recommended 5% cash dividend for the year ended December 31st, 2018 127th Meeting held on 21-03-2019 "subject to Shareholders" approval at the forthcoming annual general meeting.

- 24.00 (1) Number of employees received upto Tk. 4,500/= per Month is 29 nos.
(2) Number of employees received salary above Tk. 4,500/= are 336 nos (Approx.).
(3) The Company has no contingent liabilities.

25.00 Disclosure as per requirement of Companies Act, 1994 and Securities & Exchange rules:

- (1) During the year under review no compensation was allowed by the company to the Chief Executive and Officers of the company except their regular remuneration.
(2) No Amount of money was spent by the company for compensating any member of the Board for special service rendered.
(3) During the year under review an amount of Tk. 3,60,000/- was paid to the Directors of the company for Board meeting attendance fees as per allowable rate of the IDRA.
(4) No transation of Miscellaneous expenditure exceeded Tk. 1,000/-
(5) There was no Bank guarantee issued by the Company on behalf of their Directors.
(6) Auditors were paid only statutory audit fee duly approved by the shareholders in the last A.G.M.
(7) There was no capital work in progress at the end of the accounting year.
(8) No expenses were paid as royalty and salary to technical experts etc.
(9) During the year Company was not entered into any agreement with the third party.
(10) There was no Capital expenditure commitment as at December 31, 2018
(11) There was no claim against Company, which was not acknowledgement as debt other than normal course of business.
(12) There was no credit facility available to the Company under any contract availed of as on December 31, 2018 other than trade credit availed in the ordinary course of business.
(13) There was no event occurred after Balance Sheet date, which might have effeceted financial position of the Company as per Balance sheet date.



Islami Commercial Insurance Co. Ltd
Statement showing details of Re-insurance ceded and accepted by the Islami Commercial Insurance Co. Ltd.

Class of Business	PREMIUM				COMMISSION				CLAIMS			
	Received on		Paid on Re-insurance ceded	NET	Paid on		Received on Re-insurance ceded	NET	Paid on		Received on Re-insurance ceded	NET
	Direct Business	Re-insurance Accepted			Direct Business	Re-insurance Accepted			Direct Business	Re-insurance Accepted		
Fire												
Private	215,390,060		109,570,962	105,819,098			19,530,210		50,104,601	7,307,811	42,796,790	
Public	8,851,645		7,271,530	1,580,115			751,634		1,392,160		1,392,160	
Total	224,241,705		116,842,492	107,399,213			20,281,844		51,496,761	7,307,811	44,188,950	
Marine												
Private	94,802,734		9,166,253	85,636,481			2,185,089		386,226		386,226	
Public	15,940,740		12,983,532	2,957,208			2,293,509		497,024	195,551	301,473	
Total	110,743,474		22,149,785	88,593,689			4,478,598		883,250	195,551	687,699	
Misc. & Engg												
Private	34,590,243		2,554,713	32,035,530			1,244,071		509,787	164,664	345,123	
Public	39,554,497		41,783,670	(2,229,173)			5,234,334		7,868,275	7,703,450	164,825	
Total	74,144,740		44,338,383	29,806,357			6,478,405		8,378,062	7,868,114	509,948	
Motor												
Private	51,244,805		125,000	51,119,805			496,661		14,285,987	-	14,285,987	
Public	2,502,156		594,294	1,907,862			-		130,347	-	130,347	
Total	53,746,961		719,294	53,027,667			496,661		14,416,334	-	14,416,334	
Total Private	396,027,842		121,416,928	274,610,914			23,456,031		65,286,601	7,472,475	57,814,126	
Total Public	66,849,038		62,633,026	4,216,012			8,279,477		9,887,806	7,899,001	1,988,805	
Grand Total	462,876,880		184,049,954	278,826,926			31,735,508		75,174,407	15,371,476	59,802,931	



[Handwritten Signature]
ISLAM AFTAB KAMRUL & Co.
Chartered Accountants

PROPERTY, PLANT & EQUIPMENT AS AT DECEMBER 31, 2018

Sch-"A"

Particulars	COST						DEPRECIATION				
	At Jan. 01, 2018	Written down value on 01.01.2018	Sold during the period	Additions before June 30, 2018	Additions after June 30, 2018	Total at December 31, 2018	Rate	At Jan. 01, 2018	Depreciation for the year 2018	At December 31, 2018	Written down value.
Furniture & Fixture	6,729,343	4,122,430		510,738	195,140	7,435,221	10%	2,606,913	463,317	3,070,230	4,364,991
Office Equipment	10,715,986	5,638,686		91,550	323,580	11,131,116	15%	5,077,300	859,535	5,936,835	5,194,281
Vehicles	57,443,207	27,519,826		4,100,000	1,957,000	63,500,207	20%	29,923,381	6,323,965	36,247,346	27,252,861
Crockeries & Cutleries	157,399	78,201		5,590	4,601	167,590	20%	79,198	16,758	95,956	71,634
Office decoration	9,355,544	5,178,815		179,500	106,690	9,641,734	10%	4,176,729	535,832	4,712,561	4,929,173
Air conditioner	4,680,865	2,632,600		58,200		4,739,065	15%	2,048,265	403,620	2,451,885	2,287,180
Software Installation	1,491,400	1,128,096				1,491,400	20%	363,304	225,619	588,923	902,477
Telephone Installation	263,270	170,217		1,100	27,070	291,440	15%	93,053	25,698	118,751	172,689
Building	39,796,000	32,952,476	-	-	-	39,796,000	2%	6,843,524	659,050	7,502,574	32,293,426
Land	1,480,000	1,480,000	-	-	-	1,480,000	0%	-	-	-	1,480,000
Revaluation Surplus-Building	97,724,000	93,854,130		-	-	97,724,000	2%	3,869,870	1,877,083	5,746,953	91,977,047
Total Tk.	229,837,014	174,755,477	-	4,946,678	2,614,081	237,397,773		55,081,537	11,390,477	66,472,014	170,925,759

Note : Depreciation of fixed assets has been charged on Reducing Balance Method at the rates varying from 2% to 20%. Full years depreciation have been claimed on assets acquired on or before June 30, of the year otherwise no depreciation has been charged on assets acquired afterward.



(Signature)
ISLAM AFTAB KAMRUL & Co.
Chartered Accountants

বীমা আইন, ২০১০ এর ৪১ ধারা অনুযায়ী দায় ও পরিসম্পদ বিনিয়োগ বিবরণী

বীমাকারীর নাম :- ইসলামী কমার্শিয়াল ইন্স্যুরেন্স কোঃ লিঃ

২০১৮-ইং সালের ৩১শে ডিসেম্বরের তথ্য।

ক্রমিক নং	দায়	পরিমাণ (টাকায়)	ক্রমিক নং	সম্পদ বিনিয়োগ	পরিমাণ (টাকায়)
০১	অপরিশোধিত দাবীর পরিমাণ	৩৮,৪৩৫,৫৩০.০০	০১	বাংলাদেশ গভ: ট্রেজারী বন্ড (বিজিটিবি)	২৫,০০০,০০০.০০
০২	অগ্নি বীমার নীট প্রিমিয়ামের ৪০%	৪২,৯৫৯,৬৮৫.০০	০২	মেয়াদী হিসাবে ব্যাংকে জমা (এফডিআর)	২৭৬,৪০০,০০০.০০
০৩	বিবিধ বীমার নীট প্রিমিয়ামের ৪০% (মোটর বীমা সহ)	৩৩,১৩৩,৬১০.০০	০৩	শেয়ারে বিনিয়োগ	১৯৩,৬০১,২৫৮.০০
০৪	নৌ কার্গো বীমার নীট প্রিমিয়ামের ৪০%	৩৫,৪৩৭,৪৭৫.০০		অন্য বীমাকারীর নিকট থেকে পাওনার পরিমাণ	২৬,৯৭৮,৬৪৫.০০
০৫	অন্য বীমাকারীর নিকট দায়ের পরিমাণ	১৩৭,১৩৫,৭৮০.০০			
০৬	অন্যান্য পাওনাদারকে দেয়	১২৫,৮১৫,৪৪৯.০০			
০৭	এফডিআর এর বিপরীতে ঋণ গ্রহণ				
	মোট দায়ের পরিমাণ	৪১২,৯১৭,৫২৯.০০	(খ)	মোট সম্পদের পরিমাণ	৫২১,৯৭৯,৯০৩.০০
	অথবা				
	নেট প্রিমিয়ামের ১০%	২৭,৮৮২,৬৯৩.০০			
(ক)	মোট দায় এবং নেট প্রিমিয়ামের ১০% যাহা বেশী	৪১২,৯১৭,৫২৯.০০		অতিরিক্ত বিনিয়োগ (খ - ক)	১০৯,০৬২,৩৭৪.০০

Handwritten Signature

ইসলামী আফতাব কামরুল এন্ড কোঃ
চার্টার্ড একাউন্ট্যান্টস্

অডিটরের নাম, স্বাক্ষর ও সীল :

Handwritten Signature
মীর নাজিম উদ্দিন আহমেদ
মুখ্য নির্বাহী কর্মকর্তা



General Information

Directors : Shahida Anowar
Al-haj Mohammad Yahya
Israt Jahan
Nusrat Jahan (Tania)
Md. Razaul Karim
Sharifa Khatun
Nigar Sultana
Md. Ashik Hossain
Shirin Akter
M.G. Faruk
Abu Bakar Siddiqui

Corporate Office : City Center (Level 16),
90/1, Motijheel C/A, Dhaka

Banker : Social Islami Bank Ltd.
Al-arafah Islami Bank Ltd.

Auditor : Islam Aftab Kamrul & Co.
Chartered Accountants



**Independent Auditor’s Report
To the Shareholders
Of
Islami Commercial Insurance Company Limited**

Introduction

We have audited the accompanying Balance Sheet of **Islami Commercial Insurance Company Limited** as at 31st December 2018 and the related Revenue accounts as well as the Profit and Loss Account, Profit and Loss Appropriation Account, Statement of Changes in Equity and Statements of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management’s responsibility for the financial statement

Management is responsible for the preparation and fair presentation of these financial statement in accordance with Bangladesh Accounting Standard (BASs) and Bangladesh Financial Reporting Standard (BFRSs), The Company Act 1994, the Insurance Act 2010, and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conduct our audit in accordance with Bangladesh Standard on Auditing (BSAs). Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial Statements are free misstatement.

An audit involves performing procedures to obtain audit evidence supporting the amounts and disclosures in the Financial Statements. The procedure selected depends on the auditor’s judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors considers inter control relevant to the entity’s preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our opinion.



Independent member firm of Key Will Group - Global Accounting and Consulting Network

Opinion

In our opinion the financial statements prepared in accordance with Bangladesh Accounting Standards and Insurance Act 2010 present fairly in all material respect the financial position of **Islami Commercial Insurance Company Limited** as at 31st December 2018 and its financial performance and its cash flows for the year then ended (except section 63(1) relating to limitation of management expenses) and comply with the Companies Act 1994, Securities & Exchange Rules 1987 and other applicable laws and regulations.

We further report that:

- I. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- II. In our opinion, proper book of account as required by law have been kept by Islami Commercial Insurance Company Ltd. So far as it appeared from our examination of those book and returns which have been received from branches not visited by us ;
- III. The Balance sheet, Profit and Loss Account and Revenue Accounts dealt with by the report are in agreement with the books of account and returns;
- IV. We have verified the cash and bank balance and investment of Islami Commercial Insurance Company Ltd. As on 31st December, 2018 by actual inspection and examination of relevant Statements and certificates ;
- V. As per section 63(2) of the Insurance Act 2010, 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 whenever incurred and whether incurred directly or indirectly, in respect of insurance business of the Insurer transaction in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and those which do not relate to any particular business have been debited to the profit and loss account of the company;
- VI. As per section 59(5) of insurance Act 2010, we certify that to the best of our information and as shown by its books, the insurer during the year under report has not paid any person any commission in any form outside Bangladesh in respect of any of its business transaction in Bangladesh; and
- VII. The expenditure incurred was for the purpose of the company's business;

Dhaka
April 30, 2019


Islam Aftab Kamrul & Co.
Chartered Accountants

ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2018

CAPITAL AND LIABILITIES	2018 TAKA	Note	2017 TAKA	PROPERTY AND ASSETS	2018 TAKA	Note	2017 TAKA
SHARE CAPITAL :			750,000,000	INVESTMENTS (At Cost) :			
Authorised Capital :				BGTB	25,000,000	11	25,000,000
75,00,000 Ordinary Shares of Taka 100 each				Investment in Share	193,601,258	12	115,809,462
ISSUED, SUBSCRIBED & PAID UP CAPITAL :	295,064,800	2	268,240,800	INTEREST, DIVIDEND & RENT :			
29,50,648 Ordinary Shares of Taka 100 each				(Interest Accrued but not due)	16,370,600	13	24,802,500
RESERVE OR CONTINGENCY ACCOUNTS :	147,512,416	3	173,759,423	AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS	26,978,646	14	-
Reserve for exceptional losses	130,644,927		128,644,927	ADVANCES DEPOSIT AND PRE PAYMENTS			
Profit & Loss Appropriation Account	16,867,489		45,114,496	Sundry Debtors	153,820,691	15	144,635,455
REVALUATION SURPLUS	93,854,130	4	93,854,130	CASH IN HAND AND AT BANKS :			
RESERVE FOR INVESTMENT FLUCTUATION FUND	4,544,401	5	4,544,401	Fixed Deposit with Banks	371,522,858	16	393,814,695
BALANCE OF FUNDS AND ACCOUNTS :	111,530,771	6	96,259,713	Cash at Bank	276,400,000		312,500,000
(Being reserve for unexpired risk)				Cash in Hand	78,881,713		72,825,414
Fire Insurance Business	42,959,685		29,909,037	Cash With Bo Accounts	11,999,871		8,460,406
Marine Insurance Business	35,437,476		40,296,531		4,241,274		28,875
Motor Insurance Business	21,211,067		18,811,692	OTHER ACCOUNTS :			
Misc. Insurance Business	11,922,543		7,242,453	Fixed Assets	172,590,200	17	175,730,278
PREMIUM DEPOSITS	5,953,277	7	5,116,013	Stamps in Hand	170,925,759		174,755,477
LIABILITIES & PROVISIONS :	38,435,530	8	35,218,167	Printing & Stationary in Hand	88,791		109,451
Estimated Liabilities in respect of outstanding claims whether due or intimated					1,575,650		865,350
AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS	137,135,780	9	71,654,747	959,884,253	879,792,390		
SUNDRY CREDITORS (outstanding and accruing expenses)	125,853,148	10	126,375,996				
BANK LOAN AGAINST LIEN OF FDR	-		4,769,000				

Mir Nazim Uddin Ahmed
Mir Nazim Uddin Ahmed
Chief Executive Officer

Md. Ashik Hossain
Md. Ashik Hossain
Director

Masuda
Masuda
Shahida Anwar Chairman



ISLAMIC COMMERCIAL INSURANCE COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	2018	Note	2017
	TAKA		TAKA
EXPENSES OF MANAGEMENT : (not applicable to any particular fund or account)			11,374,407
Directors' fees	3,932,154		902,750
Audit fee	414,000		70,000
Consultancy Fee & Legal Expenses	70,000		92,000
Advertisement	141,450		52,076
Consent Fee and seminar Fee	34,600		-
Branch Licence Fee	27,386		79,500
Leavy and Annual subscription to BIA	136,530		200,889
Donation & Subscription	300,000		1,353,000
Registration and Renewals	319,076		1,440,373
Credit Rating Fee	899,112		160,000
Compensation to IDRA	160,000		5,975,000
Compensation to Custom, Excise & VAT	1,440,000		1,048,819
Depreciation (Sch-A)			11,188,352
Profit/(Loss) for the year carried down to Profit & Loss Appropriation Account	7,682,111		59,893,092
	23,004,742		82,455,851

PARTICULARS	2018	Note	2017
	TAKA		TAKA
INTEREST, DIVIDEND & RENT : (not applicable to any particular Fund or Account)			
Interest Income	13,952,684	18	28,868,263
Cash Dividend on Share	2,751,104		7,199,155
OTHER INCOME :			
Capital Gain	11,447,003	19	35,428,459
PROFIT/(LOSS) TRANSFERRED FROM :			
Fire Revenue Account	(5,146,049)		10,959,974
Marine Revenue Account	(69,311,485)		(9,536,543)
Motor Revenue Account	37,187,818		10,632,182
Misc. Revenue Account	18,280,974		609,817
	8,696,644		9,254,518
	23,004,742		82,455,851

PROFIT AND LOSS APPROPRIATION ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2018

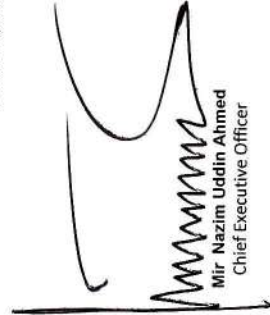
PARTICULARS	2018	Note	2017
	TAKA		TAKA
Reserve for Exceptional Loss	2,000,000		15,000,000
Provision for Income Tax	2,272,845	10.01	7,565,315
Stock Dividend for 2017	26,824,000		-
Cash Dividend paid	5,364,816		-
Balance Transferred to Balance Sheet	16,867,489		70,507,232
	53,329,150		93,072,547

PARTICULARS	2018	Note	2017
	TAKA		TAKA
Balance brought from previous year	45,114,496		30,747,439
Transferred from Investment Fluctuation Fund	-		2,419,646
Net profit for the year brought down	7,682,111		59,893,092
Deferred Tax Income	532,543	10.02	12,370
	53,329,150		93,072,547

EARNING PER SHARE (EPS) Note No (22) : EPS is 1.83 in 2018 and in 2017 was 19.51 .

Note : All expenses of management wherever incurred, whether directly or indirectly, in respect of Fire, Marine, Motor and Miscellaneous business transacted in Bangladesh have been fully debited in the respective revenue account as expenses.

Signed as per our annexed report of even date.


Mir Nazim Uddin Ahmed
Chief Executive Officer


Md. Faruk
Director


Shaheed Anwar
Chairman


ISLAM AFTAB KAMRUL & Co.
Chartered Accountants



