

**NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
UPTO THE 1ST QUARTER ENDED 31 MARCH 2010**

1.00 Significant accounting policies

The financial statements have been prepared in accordance with the Insurance Act, 1938 as well as in compliance with Bangladesh Financial Reporting Standards (BFRS) and the Securities and Exchange Commission Rules, 1987.

2.00 Share of profit of associate

Share of profit of the United Leasing Company Ltd (ULC) has been recognized as per BAS 28, where the Company's investment is 20.64% making ULC as an associate.

3.00 Earnings per share

Retrospective recognition has been given to 1st Quarter 2009 figure for issuance of bonus shares during the 2nd Quarter of 2009.

4.00 Comparative information

Prior period figures and account titles have been rearranged, wherever necessary, to conform to current period's presentation.

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**UNITED
INSURANCE
COMPANY LIMITED**

**1ST QUARTER ACCOUNTS
TO 31ST MARCH 2010**

(UN-AUDITED)

UNITED INSURANCE COMPANY LIMITED

BALANCE SHEET (UNAUDITED)

As at March 31, 2010

REVENUE AND PROFIT & LOSS ACCOUNT(UNAUDITED)

For the 1st Quarter ended March 31, 2010

	As of March 31, 2010	As of December 31, 2009
	TK '000	TK '000
ASSETS		
Non-current assets		
Property, plant and equipment	6,468	6,215
Statutory deposit-NIE	4,500	4,500
Investment at cost	3,182	3,182
Investment in associate	234,092	226,309
	248,242	240,206
Current assets:		
Stock of stationery	705	653
Debtors	75,941	93,689
Advances, deposits and prepayment:	18,331	17,635
Cash and cash equivalents	378,769	373,818
Total current assets	473,746	485,795
Current liabilities		
Creditors and accruals	(108,762)	(126,452)
Net current assets	364,984	(126,452)
Net assets	613,226	599,549
SHAREHOLDERS' EQUITY		
Capital and reserves		
Share capital (2,500,000 shares of Tk. 100 each)	250,000	250,000
Revenue reserves & contingency accounts	252,167	249,576
Retained earnings	111,059	99,973
Shareholders' equity	613,226	599,549

STATEMENT OF CHANGES IN EQUITY

For the period January to March 31, 2010

TK '000

iculars	Share Capital	Excep. Loss Reserve	General Reserve	Proposed Dividend	P/L Appr. Account	Total
	Taka	Taka	Taka	Taka	Taka	Taka
Balance at 1 January 2010	250,000	159,576	90,000	-	99,973	599,549
Appropriation made during the period	-	-	-	-	-	-
Bonus share issued	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-
Changes made in 1st Quarter	-	2,591	-	-	11,086	13,677
Balance as at 31 March 2010	250,000	162,167	90,000	-	111,059	613,226
Balance as at 31 March 2009	100,000	151,812	146,000	-	168,756	566,568

	January to March 31, 2010	January to March 31, 2009
	TK '000	TK '000
Gross premium	55,309	52,000
Net premium	34,980	33,922
Agency commission	(11,600)	(10,500)
Expenses of management	(12,801)	(11,024)
Claims	(4,535)	(8,314)
	(28,936)	(29,838)
Underwriting profit	6,044	4,084
Interest, dividend and other income	4,300	2,576
	10,344	6,660
Management expenses (not applicable to any particular fund or account)	(450)	(360)
Share of profit of associate	7,783	6,465
Profit before income tax	17,677	12,765
Provision for income tax	(4,000)	(2,300)
Profit after tax	13,677	10,465
Reserve for exceptional losses	2,591	2,650
Retained Earnings	11,086	7,815
	13,677	10,465
Earnings per share (TK)	5.47	4.19

CASH FLOW STATEMENT(UNAUDITED)

	January to March 31, 2010	January to March 31, 2009
	TK '000	TK '000
Cash flows from operating activities:		
Cash receipts from operations	61,380	63,618
Management expenses, re-insurance & claims	(57,732)	(55,698)
Income taxes paid	(2,564)	(1,036)
	1,084	6,884
Cash flows from investing activities:		
Fixed assets purchase	(253)	(185)
Interest received	4,120	-
Dividend received	-	-
Sale proceeds of fixed assets	-	-
	3,867	(185)
Cash flows from financing activities:		
Dividend paid	-	-
Net increase/(decrease) of cash and cash equivalents	4,951	6,699
Cash and cash equivalents at 1 January	373,818	434,005
Cash and cash equivalents at 31 March	378,769	440,704

(The details of the published quarterly financial statements are available in the web-site of the company. The address of the website is "unitedinsurance.com.bd).

Syed Shahriyar Ahsan
MANAGING DIRECTOR

Badal Chandra Rajbangshi
COMPANY SECRETARY