

MetLife Alico

American Life Insurance Company (ALICO)

Eleventh Year

Audited Financial Statement

II

Fiscal Year- 2011/012 (2068/069)

BRS Neupane & Co
Chartered Accountants
Kumari Marg, House No. 43
P.O. Box 8137, Naxal
Kathmandu, Nepal

Tel: 977-1-4411314
Fax: 977-1-4420572
charterd@brs.wlink.com.np
Web: www.brs.com.np

BRS Neupane & Co
Independent Correspondent Firm to
Deloitte Touche Tohmatsu

Date: 2070/02/09

The General Manager
American Life Insurance Company (ALICO)
Narayani Complex, Pulchowk
Lalitpur, Nepal

We had audited the Financial Statements of American Life Insurance Company for year ended on Ashad 2069.03.32(15 July, 2012) and issued our independent Audit Report opinion for the same on 2069.09.25 (9 January, 2013). After our issuance of the independent Audit Report, Beema Samiti instructed us through letter Bi.Bi.Sha.447 (2069/70) Cha.No.4135 dated 2069/12/27 to create provision of tax for litigation amount shown under others as contingent liability. As per clause 20 of Financial Directive issued by Beema Samiti, Income Tax liability of NPR 15,311,521 which is 25% of disputed taxable amount for Fiscal Year 2061-62 to Fiscal year 2064-65 has been created accordingly and necessary changes has been made in schedules of Financial Statements.

Changes in the financial position due to the above adjustments do not have any impact on true and fair view position of the Financial statements of American Life Insurance Company as on 2069.03.32 (July 15,2012) and not requiring any changes on our Independent audit opinion provided earlier.

CA. Gyanendra B. Bhari
Partner
BRS Neupane & Co
Chartered Accountants

BRS Neupane & Co.
Chartered Accountants
Kumari Marg, House No. 43
P.O. Box 8137, Naxal
Kathmandu, Nepal

Tel : 977-1-4411314
Fax : 977-1-4420572
E-mail : chartered@brs.com.np
chartered@brs.wlink.com.np
Web : www.brs.com.np

BRS Neupane & Co.

Independent Correspondent Firm to Deloitte Touche Tohmatsu

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial Statements of **American Life Insurance Company-Nepal Branch**, which comprise the Balance Sheet as at Ashad 31, 2069 (July 15, 2012) and the Profit and Loss Account, related statements of Income, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of Significant Accounting Policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements, in accordance with Nepal Accounting Standards, Insurance Directives and relevant practices in Nepal. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Nepal Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our professional 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, we consider the internal control relevant to the Company's preparation and true and fair presentation of the financial statements 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 Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Report on Company Act, 2063, Insurance Act, 2049, Insurance Directives relating to Financial Statements and Other Regulatory Requirements

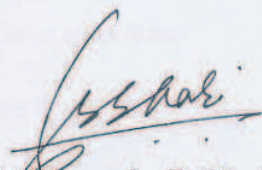
On the basis of our examination, we would like to further report that:

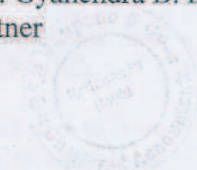
- a. We have obtained all the information and explanations, which were considered necessary for the purpose for our audit.
- b. The Balance Sheet, Profit & Loss Account, related statements of Income, Cash Flow Statement and attached schedules dealt with report are prepared as per Directives of Insurance Board and are in agreement with the books of account maintained by the Company.
- c. In our opinion, the accounts and records of the company have been accurately maintained in accordance with the law.
- d. During our examination of the books of account of the Company, we have not come across the cases where the Board of Directors or any member thereof or any representative or any office holder or any employee of the Company has acted contrary to the provisions of law or caused loss or damage to the Company.

Opinion

In our opinion, the accompanying financial statements read together with accounting policies and notes to the accounts in Schedule 28 and 29 forming part of the accounts give a true and fair view, in all material respects, the financial position of **American Life Insurance Company- Nepal Branch** as at Ashad 31, 2069 (15 July, 2012) and of the results of its financial performance and its cash flows for the year then ended in accordance with Nepal Accounting Standards, Company Act, 2063, Insurance Act, 2049 and Directives of Insurance Board.

Date : 2069/09/25
Place: Kathmandu, Nepal


CA. Gyanendra B. Bhari
Partner



Directors Reports

A. General Information about Insurer:

1. Date of Incorporation: 2058/04/18 (August 02, 2001)
2. Date of receiving insurer registration certificate: 2058/04/18 (August 02, 2001)
3. Type & category of insurance license received by the insurer: Life Insurance
4. Date of starting business: 2058/10/17 (30 January 2002)
5. Other information, as insurer finds important: ALICO is registered as a branch of foreign company with Office of the Company Registrar on 2062/02/23 (June 05, 2005).

B. Insurer's Board of Director Reports.

1. Company license is properly renewed vide Insurance Board's letter no. Ni. Sa. 254/068/69 Cha. No. 4119 dated 2069/01/07 (19 April, 2012) & is valid for doing insurance business till the end of Chaitra 2069 (13 April 2013).
2. Service fee payable of amount NPR.14,855,369 to Insurance Board and withholding tax payable of NPR. 1,138,974 at the Balance Sheet date are being paid on respective due dates.
3. MetLife, inc. acquired American Life Insurance Company from American International Group (AIG) effective November 1, 2010.
4. Company has not made any provision regarding solvency margin. There is no any legal requirement to maintain solvency margin.
5. A. Value of assets included in the insurer's financial statement on the date of balance sheet is not above the realizable/market value of the assets.
B. Investments are valued as per method given in financial directives of Insurance Board.
6. Company has made all its investment within the provisions of the existing laws.
7. Company has adequate re-insurance arrangement for insurance risks, and other situational risks are being closely monitored. Required actions are being taken in consultation with RO/HO.
8. American Life Insurance Company, Nepal is an independent branch and it does not have to share any part of risk arising from the business operated in other territories. HO/RO and offices operates in different countries are as under:

ALICO - HO	Bulgaria	Japan	Qatar
Wilmington, USA	Chile	Jordan and PNA	Romania
	China	Korea	Russia
ALICO- Regional office	Colombia	Kuwait	Saudi Arabia
Hong Kong	Cyprus	Latvia	Serbia
	Czech Republic	Lebanon	Slovakia
	Egypt	Lithuania	Spain
Foreign operations	France	Mexico	Turkey
Argentina	Greece	Nepal	Ukraine
Australia	Hong Kong	Oman	United Arab Emirates
Bahrain	Hungary	Pakistan	United Kingdom
Bangladesh	India	Poland	United States of America
Belgium	Ireland	Portugal	Uruguay

9. Total number of paid claim is 507. Detail of total outstanding claims number is as follows.

Fiscal Year	2063.64	2064.65	2065.66	2066.67	2067.68	2068.69
Par Product	4	5	15	64	75	117
Term Product	6	11	61	102	102	245

10. The financial statement has been prepared in accordance with Insurance Act 2049, Insurance Regulation 2049, circular/guidelines issued by Insurance Board, Company Act 2063 and other applicable laws, accounting standards and generally accepted accounting practices which are in practice except as indicated in annexure 28 & 29 of the financials.
11. a. In preparing the financial statements the appropriate financial policies are applied and uniformity is maintained which has been tested and appropriateness is found.
b. The financial statement gives true & fair picture of all the financial conditions of the Company including profit and loss as of balance sheet date.
12. It is declared that the control mechanism and processes are in place which is sufficient and effective to safeguard the Company's assets and to control the fraud and misappropriations.
13. Financial statements are prepared in accordance with 'going concern basis'.
14. Company has strong, effective, reliable and independent internal audit unit at Local and HO level which is conducting internal audit periodically on regular basis. It has been found quite effective as a controlling mechanism for normal operation of the business activities.
15. Company has not done business with any person, firm, company, and with its director or institution having interest of the directors which is against the existing Insurance Act, 2049, Company Act, 2063 and regulations, orders and directives under it.
16. There is no late fee imposed to us by the Insurance Board during this fiscal year.
17. Other things viewed important to mention by management.
- 17.1 Company is compliant with Anti money laundering Act 2064 and its directive, rules, by-laws and policies.
- 17.2 Shareholders' profit of Rs. 38,672,774 in connection with FY 2067/68 has been included in the Balance Sheet under 'Reserves and Surplus' as 'Other Reserve - Shareholders' Profit' in accordance with the Insurance Board's directive dated May 02, 2012 (Bi. Bi. Sha. 518(068/69) Dispatch No.4267). In the Financial Statement for FY 2067/68 to which this profit pertains, the Company intended to classify the Shareholders' profit under 'Proposed Dividend - Cash Dividend' since it has been operating as a branch in Nepal and accordingly, is not subject to paid up capital requirement. However, the Insurance Board advised the Company to revise the Financial Statements and informed that the Insurance Board will review the issue of cash dividend of branch operation later. The Company is yet to receive any decision from the Insurance Board and as such, Shareholders' profit of Rs. 24,882,128 in connection with FY 2068/69 has also been transferred to 'Reserves and Surplus' account. The Company understands that it will be allowed to remit the total amount of Rs. 63,554,902 representing Shareholders' profit for the years 2067/68 and 2068/69 to its Head Office in the USA.

American Life Insurance Company (ALICO)

Balance Sheet as on 15 July 2012 (2069 Ashad end)

Amount in NPR.

SN	Particular	Anx.	This Year	Last Year
<u>SOURCES</u>				
1	Paid-up Capital	16	-	-
2	Reserve and Surplus	17	147,155,958	109,034,609
3	Life Insurance Fund	11	6,830,246,260	5,686,541,725
4	Catastrophe Fund	18	-	-
5	Long Term Debt and Loan Payable	19	-	-
	Total Sources		6,977,402,218	5,795,576,334
<u>USES</u>				
6	Fixed Assets (Net)	20	7,552,933	9,275,329
7	Long Term Investment	21	4,767,484,278	3,218,194,999
8	Policy Loan	3	485,836,922	364,464,218
9	Other Long Term Loan	23	106,831	385,640
	Current Assets Loan and Advance			
10	Cash & Bank Balance	22	35,044,443	111,220,414
11	Short Term Investment	21	1,935,528,663	2,294,610,422
12	Other Short Term Loan	23	38,972	-
13	Other Assets	24	215,426,647	205,702,576
	Total (A) (10+11+12+13)		2,186,038,725	2,611,533,412
	Current Liabilities and Provisions:			
14	Current Liabilities	25	176,219,151	136,839,172
15	Provision for Unexpired Risks	26	43,384,567	44,525,822
16	Claim Payable	9	161,363,526	196,705,117
17	Other Provision	26A	121,969,128	94,495,358
	Total (B) (14+15+16+17)		502,936,372	472,565,469
18	Net Current Assets (C)= A-B		1,683,102,353	2,138,967,943
19	Misc Written off/Adjusted Expense	27	33,318,901	64,288,205
20	Loss Transferred from P&L Account			
	Total Uses (6+7+8+9+18+19+20)		6,977,402,218	5,795,576,334
Contingent liabilities and annexure 3, 9, 11 and 16 to 29 are integral part of this Balance Sheet.				
Contingent Liabilities				
SN	Particular		This Year	Last Year
1	Investment remaining for settlement			
2	Underwriting Commitments.			
3	Claim other than insurance business not accepted by the company			
4	Guarantee issued by insured or on behalf of insured.			
5	Other			
	Total			-

As per our report of even date.

.....
Poshak Raj Paudel
Chief Accountant

.....
S. H. Karim
General Manager

.....
CA. Gyanendra B. Bhari
Partner
BRS Neupane & Co.
Chartered Accountants

American Life Insurance Company (ALICO)
Profit & Loss Account for the Fiscal Year 20011/012 (2068/069)

Amount in NPR.

SN	Particular	Anx.	This Year	Last Year
INCOME				
1	Transferred from Revenue A/c	10	36,817,440	54,944,404
2	Transferred from Life Fund	11	-	-
3	Income from Investment, Loan and Others	2	2,905,576	242,080
4	Written Back Provision	12	-	-
5	Other Income			
Total Income (A)			39,723,016	55,186,484
EXPENSES				
6	Management Expense	7	10,912,131	10,407,483
7	Written off Expense	13	-	-
8	Share Issue Expense	13a		
9	Other Expense	14	-	-
10	Provision for Loss	15	-	-
11	Provision for Housing Fund	26a	1,440,544	2,238,950
12	Provision for Staff Bonus	26a	2,488,213	3,867,277
13	Adjusted Income Tax (A) = (B) - (C)	8		
14	B) Income tax		-	-
15	C) Deferred Tax Assets / (Liabilities)		(1,060,721)	1,144,490
16	Transfer to Life Insurance Fund	11	-	-
Total Expense (B)			13,780,167	17,658,200
17	Net Profit / (Loss) (C) = A-B		25,942,849	37,528,284
18	Expenses Related with Last Years		-	
19	Profit/(Loss) Transferred from Last Year			
Amount for Allocation			25,942,849	37,528,284
20	A) Deferred Tax Reserve	17	1,060,721	(1,144,490)
	B) Capital Reserve	17	-	-
	C) Special Reserve	17	-	-
	D) Other Reserve - Contingency Reserve	17	-	-
	E) Proposed Dividend			
	a) Bonus Share	17		
	b) Cash Dividend	26 A		-
	F) Catastrophe Reserve	18		
21	Profit/(Loss) Transferred to Balance Sheet		24,882,128	38,672,774

Annexure 2,7,8 & 10 to 15, 17 & 18 are integral part of this Profit & Loss Accounts.

As per our report of even date.

.....
 Poshak Raj Paudel
 Chief Accountant

.....
 S. H. Karim
 General Manager

.....
 CA. Gyanendra B. Bhari
 Partner
 BRS Neupane & Co.
 Chartered Accountants

American Life Insurance Company (ALICO)
Consolidated Revenue Account for the Fiscal Year 2011/012 (2068/069)

Amount in NPR.

SN	Particular	Anx.	This Year	Last Year
REVENUE				
1	Premium (Net)	1	1,472,851,717	1,412,061,606
2	Re-insurance Commission Income		5,732,585	6,631,524
3	Investment, Loan and Other Income	2	473,488,907	437,654,126
4	Income from Policy Loan	3	53,184,744	42,069,980
5	Other Direct Income		4,685,919	5,404,687
6	Provision for Outstanding Claim at the Beginning of the Fiscal Year		196,705,117	149,729,667
7	Provision for Unexpired Risks at the Beginning of the Fiscal Year		44,525,822	62,134,230
	Total Income (A)		2,251,174,811	2,115,685,820
EXPENDITURE				
8	Claim Payment (Net)	4	561,541,784	645,913,694
9	Agent Commission	5	96,104,746	99,320,774
10	Medical Examination Fee		745,942	597,055
11	Re-insurance Commission Expenses		-	-
12	Service Fee (Net)	6	14,855,369	14,334,544
13	Other Direct Expenses		-	-
14	Management Expenses	7	98,209,180	93,667,347
15	Income Tax	8	94,447,722	68,441,298
16	Provision for Outstanding Claim at the End of the Fiscal Year	9	161,363,526	196,705,117
17	Provision for Unexpired Risks at the End of the Fiscal Year		43,384,567	44,525,822
	Total Expenditure(B)		1,070,652,836	1,163,505,651
18	Surplus Transferred to Life Insurance Fund		1,143,704,535	897,235,765
19	Surplus (Loss) Transferred to Profit & Loss A/c		36,817,440	54,944,404

Annexure 1-9 are integral part of this Revenue Accounts

As per our report of even date.

.....
 Poshak Raj Paudel
 Chief Accountant

.....
 S. H. Karim
 General Manager

.....
 CA. Gyanendra B. Bhari
 Partner
 BRS Neupane & Co.
 Chartered Accountants

American Life Insurance Company (ALICO)

Revenue Account of Three Payment Plan Insurance for the Fiscal Year 2011/012 (2068/069)

Amount in NPR.

SN	Particular	Anx	This Year	Last Year
REVENUE				
1	Premium (Net)	1	745,131,551	709,806,680
2	Re-insurance Commission Income		3,050,945	3,702,045
3	Investment, Loan and Other Income	2	206,099,929	199,329,631
4	Income from Policy Loan	3	28,609,744	21,848,427
5	Other Direct Income		3,161,144	3,026,283
6	Provision for Outstanding Claim at the Beginning of the Fiscal Year		136,100,363	100,438,111
7	Provision for Unexpired Risks at the Beginning of the Fiscal Year		-	-
	Total Income (A)		1,122,153,676	1,038,151,177
EXPENDITURE				
8	Claim Payment (Net)	4	471,447,213	548,225,715
9	Agent Commission	5	46,889,619	51,046,044.00
10	Medical Examination Fee		362,607	277,609
11	Re-insurance Commission Expense			
12	Service Fee (Net)	6	7,493,300	7,168,083
13	Other Direct Expense			
14	Management Expense	7	49,651,595	46,743,506
15	Income Tax	8	39,373,800	30,359,284
16	Provision for Outstanding Claim at the End of the Fiscal Year	9	99,391,755	136,100,363
17	Provision for Unexpired Risks at the End of the Fiscal Year			
	Total Expenditure(B)		714,609,889	819,920,604
18	Surplus Transferred to Life Insurance Fund		407,543,787	218,230,573
19	Surplus (Loss) Transferred to Profit & Loss A/c		-	-

Annexure 1-9 are integral part of this Revenue Accounts

As per our report of even date.

.....
Poshak Raj Paudel
Chief Accountant

.....
S. H. Karim
General Manager

.....
CA. Gyanendra B. Bhari
Partner
BRS Neupane & Co.
Chartered Accountants

American Life Insurance Company (ALICO)

Revenue Account of Endowment Insurance for the Fiscal Year 2011/012 (2068/069)

Amount in NPR.

SN	Particular	Anx	This Year	Last Year
REVENUE				
1	Premium (Net)	1	675,619,761	638,533,918
2	Re-insurance Commission Income		1,375,334	1,412,653
3	Investment, Loan and Other Income	2	259,984,951	228,690,614
4	Income from Policy Loan	3	24,575,000	20,221,553
5	Other Direct Income		1,520,455	2,376,223
6	Provision for Outstanding Claim at the Beginning of the Fiscal Year		39,039,863	32,868,817
7	Provision for Unexpired Risks at the Beginning of the Fiscal Year		-	-
	Total Income (A)		1,002,115,364	924,103,778
EXPENDITURE				
8	Claim Payment (Net)	4	73,482,097	76,520,191
9	Agent Commission	5	45,083,798	43,450,867
10	Medical Examination Fee		383,335	319,446
11	Re-insurance Commission Expense			
12	Service Fee (Net)	6	6,794,266	6,448,324
13	Other Direct Expense			
14	Management Expense	7	44,834,201	42,218,485
15	Income Tax	8	54,147,604	37,101,410
16	Provision for Outstanding Claim at the End of the Fiscal Year	9	41,229,315	39,039,863
17	Provision for Unexpired Risks at the End of the Fiscal Year		-	
	Total Expenditure(B)		265,954,616	245,098,586
18	Surplus Transferred to Life Insurance Fund		736,160,748	679,005,192
19	Surplus (Loss) Transferred to Profit & Loss A/c		-	-

Annexure 1-9 are integral part of this Revenue Accounts

As per our report of even date.

.....
Poshak Raj Paudel
Chief Accountant

.....
S. H. Karim
General Manager

.....
CA. Gyanendra B. Bhari
Partner
BRS Neupane & Co.
Chartered Accountants

American Life Insurance Company (ALICO)

Revenue Account of Term (Non Par) Insurance for the Fiscal Year 2011/012 (2068/069)

Amount in NPR.

SN	Particular	Anx	This Year	Last Year
REVENUE				
1	Premium (Net)	1	52,100,405	63,721,008
2	Re-insurance Commission Income		1,306,306	1,516,826
3	Investment, Loan and Other Income	2	7,404,027	9,633,881
4	Income from Policy Loan	3	-	-
5	Other Direct Income		4,320	2,181
6	Provision for Outstanding Claim at the Beginning of the Fiscal Year		21,564,891	16,422,739
7	Provision for Unexpired Risks at the Beginning of the Fiscal Year		44,525,822	62,134,230
	Total Income (A)		126,905,771	153,430,865
EXPENDITURE				
8	Claim Payment (Net)	4	16,612,474	21,167,788
9	Agent Commission	5	4,131,329	4,823,863
10	Medical Examination Fee			
11	Re-insurance Commission Expense			
12	Service Fee (Net)	6	567,803	718,137
13	Other Direct Expense			
14	Management Expense	7	3,723,384	4,705,356
15	Income Tax	8	926,318	980,604
16	Provision for Outstanding Claim at the End of the Fiscal Year	9	20,742,456	21,564,891
17	Provision for Unexpired Risks at the End of the Fiscal Year		43,384,567	44,525,822
	Total Expenditure(B)		90,088,331	98,486,461
18	Surplus Transferred to Life Insurance Fund		-	-
19	Surplus (Loss) Transferred to Profit & Loss A/c		36,817,440	54,944,404

Annexure 1-9 are integral part of this Revenue Accounts

As per our report of even date.

.....
 Poshak Raj Paudel
 Chief Accountant

.....
 S. H. Karim
 General Manager

.....
 CA. Gyanendra B. Bhari
 Partner
 BRS Neupane & Co.
 Chartered Accountants

American Life Insurance Company (ALICO)
Cash Flow Statement for the Period of 17 July, 2011 to 16 July, 2012

Amount in NPR.

SN	Particular	This Year	Last Year
A	<u>Cash Flow from Operating Activities</u>		
	Premium Income	1,485,536,888	1,433,454,398
	Late Fee Income	4,685,919	5,404,687
	Reinsurance Premium Income	-	-
	Reinsurance Commission Income	5,732,585	6,631,524
	Other Direct Income	-	-
	Claim Recovered from Re-insurance	5,683,404	12,286,844
	Re-insurance Premium Payment	-	(64,306,150)
	Re-insurance Commission Payments	-	-
	Agent Commission Payment	(96,104,746)	(92,817,454)
	Medical Exam Fee Payments	(745,942)	(597,055)
	Death Claim Paid	(39,539,812)	(49,460,397)
	Maturity Claim paid	-	-
	Partial Maturity Claim Paid	(385,703,800)	(460,387,482)
	Surrender Claim Paid	(141,331,685)	(147,574,875)
	Other Claim Paid	(649,891)	(777,784)
	Service Fee Paid	(14,855,369)	(14,334,544)
	Other Direct Expenses	-	-
	Management Expenses Paid	(109,121,311)	(104,074,830)
	Employee Bonus Payment	(3,867,277)	(3,057,306)
	Income Tax Paid	(55,548,849)	-
	Current Assets (increase)/ Decrease	349,318,716	679,756,723
	Current Liabilities Increase / (Decrease)	28,447,446	109,686,145
	Net Cash Flow from Operating Activities (A)	1,031,936,276	1,309,832,444
B	<u>Cash flow from Investment Activities</u>		
	Decrease (Increase) in Fixed Assets	1,722,396	5,102,491
	Decrease (Increase) in Government Securities	(1,549,289,279)	(1,575,694,999)
	Decrease (Increase) in FD of Bank & Financial Institutions	-	-
	Decrease (Increase) in Other Deposit of Bank & Financial institutions	-	-
	Decrease (Increase) in Equity Share Investment	-	-
	Decrease (Increase) in Preference Share\debenture	-	-
	Decrease (Increase) in Other Investment	-	-
	Decrease (Increase) in Policy Loan	(121,372,704)	(94,202,240)
	Decrease (Increase) in Advance & Other Loans	278,809	423,807
	Interest Received (Investment)	476,394,483	437,896,206
	Dividend Received	-	-
	Rent Income	-	-
	Interest Received (Loan)	53,184,744	42,069,980
	Other Indirect Income/Expenses	30,969,304	(884,758)
	Net Cash Flow from Investment Activities (B)	(1,108,112,247)	(1,185,289,513)
C	<u>Cash Flow from Financial Activities</u>		
	Amount Received from Share	-	-
	Decrease/(Increase) in payable of lending	-	-
	Decrease/(Increase) in Short Term Loan	-	-
	Interest paid on Loan	-	-
	Dividend Paid	-	(25,573,065)
	Net Cash Flow from Financial activities (C)	-	(25,573,065)
	Net Cash Flow from the All Activities = A+B+C	(76,175,971)	98,969,866
	Opening Cash & Bank Balance	111,220,414	12,250,548
	Closing Cash & Bank Balance	35,044,443	111,220,414

As per our report of even date.

.....
 Poshak Raj Paudel
 Chief Accountant

.....
 S. H. Karim
 General Manager

.....
 CA. Gyanendra B. Bhari
 Partner
 BRS Neupane & Co.
 Chartered Accountants

American Life Insurance Company (ALICO)

Statement of Changes in Equity for the Fiscal Year 2011/012 (2068/069)

Amount in NPR.

Particular	Share Capital	Accumulated profit/loss	Proposed Bonus Share	Capital Reserve Fund	Share Premium	Special Reserve Fund	Other Reserve & Fund	Catastrophe Reserve	Total Amount
Opening Balance	-	38,672,774	-	-	-	15,000,000	55,361,835	-	109,034,609
Profit of This Year		24,882,128							24,882,128
Proposed Cash Dividend		-							-
Deferred Tax Adjustment							1,060,721		1,060,721
Foreign Exchange Revaluation							12,178,500		12,178,500
Closing Balance	-	63,554,902	-	-	-	15,000,000	68,601,056	-	147,155,958

Integral Parts of the Financial Statement are:

A. Insurance Premium (Net)

Annexure- 1

Amount in NPR.

SN	Type of Insurance	Gross Insurance Premium		RI Premium Paid (Ceded)		Insurance Premium (net)	
		This Year	Last Year	This Year	Last Year	This Year	Last Year
1	Three Payment Plan	749,330,027	716,808,229	4,198,476	7,001,549	745,131,551	709,806,680
2	Endowment	679,426,569	644,832,430	3,806,808	6,298,512	675,619,761	638,533,918
3	Term Insurance (Non-par Insurance)	56,780,292	71,813,739	4,679,887	8,092,731	52,100,405	63,721,008
Total		1,485,536,888	1,433,454,398	12,685,171	21,392,792	1,472,851,717	1,412,061,606

B. Gross Insurance Premium

SN	Type of Insurance	Direct Insurance Premium		Received Re-insurance Premium (Accepted)		Gross Insurance Premium	
		This Year	Last Year	This Year	Last Year	This Year	Last Year
1	Three Payment Plan	749,330,027	716,808,229	-	-	749,330,027	716,808,229
2	Endowment	679,426,569	644,832,430	-	-	679,426,569	644,832,430
3	Term Insurance	56,780,292	71,813,739	-	-	56,780,292	71,813,739
Total		1,485,536,888	1,433,454,398	-	-	1,485,536,888	1,433,454,398

C. Direct Insurance Premium

SN	Type of Insurance	First Year Insurance Premium		Renewal Insurance Premium		Single Insurance Premium		Total Direct Insurance Premium	
		This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year
1	Three Payment Plan	32,325,866	44,473,998	717,004,161	672,334,231	-	-	749,330,027	716,808,229
2	Endowment	66,161,726	51,176,531	613,264,843	593,655,899	-	-	679,426,569	644,832,430
3	Term Insurance	12,626,372	16,049,775	18,807,047	15,232,501	25,346,873	40,531,463	56,780,292	71,813,739
Total		111,113,964	111,700,304	1,349,076,051	1,281,222,631	25,346,873	40,531,463	1,485,536,888	1,433,454,398

Income from Investment, Loan & Other Sources

Annexure - 2
Amount in NPR.

SN	Particular	This Year	Last Year
1	Income from Government Securities & Securities Guaranteed by government	374,527,900	286,351,594
2	Income from Commercial Bank's Fixed Deposit (FD)	115,107,305	154,656,724
3	Income from Development Bank's Fixed Deposit (FD)		
4	Income from Citizen Investment Trust Scheme		
5	Income from Financial Institutions' Fixed Deposit (FD)		
6	Dividend from Housing Development Company's Equity Share		
7	Dividend from Other Public Company's Equity Share	-	-
8	Dividend from Bank & Financial Institution's Preference Share		
9	Income from Bank & Financial Institution's Debenture		
10	Other Income	-	-
	a. Foreign Currency Exchange Revaluation Gain/Loss	1,351,853	(209,890)
	b. Policy Charges & Misc.	13,023	169,451
11	Income from Loan		
12	Income from Other Deposit (Except FD)	16,201,291	7,141,384
13	Profit on Sales of Investment Less: Loss on Sale of Investment	- -	- -
14	Profit on (Purchase) Investment. Less: Loss on (Purchase) Investment.	- (30,969,304)	- (10,631,669)
15	Profit on Sales of Fixed Assets Less: Loss on Sales of Fixed Assets	162,415 -	418,612 -
16	Account Written Off		
17	Income Related to Last year	-	-
18	Other Income	-	-
Total		476,394,483	437,896,206

Appropriation of Income from Investment, Loan & Other Source

1	Transfer to Profit & Loss Accounts	2,905,576	242,080
2	Transfer to Three Payment Plan Revenue Account	206,099,929	199,329,631
3	Transfer to Endowment Revenue Account	259,984,951	228,690,614
4	Transfer to Term Insurance Revenue Account	7,404,027	9,633,881
Total		476,394,483	437,896,206

Policy Loan and Interest Income

Annexure - 3
Amount in NPR.

SN	Type of Insurance	Policy Loan		Interest Income on Policy Loan	
		This Year	Last Year	This Year	Last Year
1	Three Payment Plan	258,511,545	193,854,642	28,609,744	21,848,427
2	Endowment	227,325,377	170,609,576	24,575,000	20,221,553
3	Term Insurance			-	-
Total		485,836,922	364,464,218	53,184,744	42,069,980

Claim Paid

Annexure - 4

Amount in NPR.

SN	Type of Insurance	Death Claim Paid		Maturity Claim Paid		Partial Maturity Claim Paid		Surrender Claims Paid		Other Claim paid		Total Claim Paid		RI Portion in Claim Paid		Claim Paid (net)	
		This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year
1	Three Payment Plan	15,224,864	14,519,531	-	-	385,703,800	460,387,482	72,601,953	74,256,248	-	-	473,530,617	549,163,261	2,083,404	937,546	471,447,213	548,225,715
2	Endowment	4,752,365	3,995,862	-	-	-	-	68,729,732	73,318,627	-	-	73,482,097	77,314,489	-	794,298	73,482,097	76,520,191
3	Term Insurance	19,562,583	30,945,004	-	-	-	-	-	-	649,891	777,784	20,212,474	31,722,788	3,600,000	10,555,000	16,612,474	21,167,788
Total		39,539,812	49,460,397	-	-	385,703,800	460,387,482	141,331,685	147,574,875	649,891	777,784	567,225,188	658,200,538	5,683,404	12,286,844	561,541,784	645,913,694

Agent Commission

Annexure - 5

Amount in NPR.

SN	Types of Insurance	Agent Commission on First Year Premium		Agent Commission on Renewal Premium		Agent Commission on Single Premium		Total Agent Commission	
		This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year
1	Three Payment Plan	7,637,414	10,964,578	39,252,205	40,081,466	-	-	46,889,619	51,046,044
2	Endowment	13,651,342	11,215,645	31,432,456	32,235,222	-	-	45,083,798	43,450,867
3	Term Insurance	1,217,245	1,256,753	1,013,764	375,361	1,900,320	3,191,749	4,131,329	4,823,863
Total		22,506,001	23,436,976	71,698,425	72,692,049	1,900,320	3,191,749	96,104,746	99,320,774

Service Fee (Net)

Annexure - 6

Amount in NPR.

SN	Types of Insurance	Gross Service Fee		Reinsurance Portion in Gross Service Fee		Service Fee (Net)	
		This Year	Last Year	This Year	Last Year	This Year	Last Year
1	Three Payment Plan	7,493,300	7,168,083			7,493,300	7,168,083
2	Endowment	6,794,266	6,448,324			6,794,266	6,448,324
3	Term Insurance	567,803	718,137			567,803	718,137
Total		14,855,369	14,334,544	-	-	14,855,369	14,334,544

Management Expenses

Annexure - 7

Amount in NPR.

SN	Particular	This Year	Last Year
1	Employee Expenses (Anx 7.1)	42,424,174	41,577,131
2	Building Rent	12,455,239	11,679,536
3	Water & Electricity	2,031,343	1,979,072
4	Repair & Maintenance	-	-
	A. Building	-	-
	B. Motor Vehicle	-	-
	C. Office Equipment	1,429,327	1,814,486
	D. Others	105,876	50,000
5	Communication	3,333,075	1,428,952
6	Printing & Stationary	2,956,550	3,649,305
7	Office Expenes	415,613	1,318,386
8	Transportation	2,034,420	1,960,154
9	Travel Expenses (Including Allowance)		
	A. Internal	1,309,188	1,138,655
	B. International	1,386,699	1,182,192
10	Agents Training	2,733,925	1,274,459
11	Agents Other	19,438,386	19,129,907
12	Insurance Premium	261,820	347,191
13	Security Expenses	10,240,929	4,036,699
14	Legal & Advisory Fees	194,863	192,778
15	Books & Periodicals	-	-
16	Advertisement & Publicity	-	-
17	Business Promotion	-	154,108
18	Guest Entertainments	55,604	646,903
19	Donation & Awards	-	-
20	Board Committee Expenses		
	A. Meeting Allowance	-	-
	B. Others	-	-
21	Other Committee/Sub-Committee Expenses		
	A. Meeting Allowance	-	-
	B. Others	-	-
22	General Meeting Related Expenses	-	-
23	A. Actuarial Service Fee		
	B. Actuarial Expenses		
24	Audit Related Expense		
	A. Audit Fee	220,000	196,398
	B. Tax Audit Fee	48,000	48,000
	C. Long Form Audit Report Fee	22,000	22,000
	D. Other Fee		
	E. Internal Audit Fee	-	-
	F. Other Expense	-	-
25	Interest	-	-
26	Bank Charge	990,438	1,252,365
27	Fee & Charges	75,000	55,000
28	Depreciation	4,768,170	8,129,691
29	Postal Stamps	156,386	242,225
31	Other	34,285	569,237
Total for Appropriation		109,121,310	104,074,830

Cont.. Annexure 7

1	Transfer to P&L A/c	10,912,131	10,407,483
2	Transfer to Three Payment Plan Revenue A/c	49,651,595	46,743,506
3	Transfer to Endowment Revenue A/c	44,834,201	42,218,485
4	Transfer to Term Insurance Revenue A/c	3,723,384	4,705,356
Total		109,121,311	104,074,830

Employee Expense

Annexure - 7.1

SN	Particular	This Year	Last Year
1	Salary	32,279,123	28,900,829
2	Allowance - OT	420,843	1,026,063
3	Dashain Expense	2,427,618	2,013,206
4	Providend Fund Contribution	1,602,836	1,123,348
5	Training Expense	628,451	402,895
6	Dress Allowance		
7	Medical Expense	203,542	226,246
8	Insurance	1,227,812	1,048,098
9	Provision for Pension/Gratuity	2,496,124	4,706,862
10	Expenses & Provision for Leave Encashment	168,936	556,215
11	Provision for Other Facilities (Detail)		
12	Relocation Expense	-	-
13	Recruting Expense	9,964	27,120
14	Employee Benefit Misc.	958,925	1,546,249
Total		42,424,174	41,577,131

Income Tax

Annexure - 8

Amount in NPR.

SN	Particular	This Year	Last Year
1	Income Tax of This Year	94,447,722	68,441,297
2	Income Tax of Last Year	-	-
3	Total Income Tax for Allocation	94,447,722	68,441,297
4	Deferred Income Tax	(1,060,721)	1,144,490
Allocation			
	Transfer to Profit & Loss Accounts C= A+B	(1,060,721)	1,144,490
	A) Income Tax from Allocation	-	-
	B) Deferred Tax for This Year	(1,060,721)	1,144,490
	Transfer to Three Payment Plan Revenue A/c	39,373,800	30,359,284
	Transfer to Endowment Revenue A/c	54,147,604	37,101,410
	Transfer to Term Insurance Revenue A/c	926,318	980,604
Total		93,387,001	69,585,788

Provision for Outstanding Claim at the end of the Fiscal Year

Annexure - 9

Amount in NPR.

SN	Type of Insurance	Outstanding Death Claim		Outstanding		Outstanding Partial		Outstanding		Outstanding Other		Claim Incurred but not		Total Outstanding Claim		RI Portion in O/s Claim		Provision for Outstanding	
		This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year
1	Three Payment Plan	9,920,433	8,774,250	-	-	76,690,991	109,611,492	-	-	-	-	-	-	86,611,424	118,385,742	211,383	43,241	99,391,755	136,100,363
2	Endowment	36,199,404	34,295,533	-	-	-	-	-	-	-	-	-	-	36,199,404	34,295,533	400,000	400,000	41,229,315	39,039,863
3	Term Insurnace	17,218,998	18,229,722	-	-	-	-	-	-	1,119,449	1,089,450	2,611,515	3,172,037	20,949,962	22,491,210	3,350,000	4,300,000	20,742,456	21,564,891
Total		63,338,835	61,299,505	-	-	76,690,991	109,611,492	-	-	1,119,449	1,089,450	2,611,515	3,172,037	143,760,790	175,172,484	3,961,383	4,743,241	161,363,526	196,705,117

Amount Transferred from Revenue Accounts to P&L Account

Annexure - 10

Amount in NPR.

SN	Particular	This Year	Last Year
1	Transferred from Three Payment Plan Revenue Account	-	-
2	Transferred from Endowment Revenue Account	-	-
3	Transferred from Term Insurance Revenue Account Account	36,817,440	54,944,404
Total		36,817,440	54,944,404

Annexure -11

Life Insurance Fund

Amount in NPR.

SN	Types of Insurance	Life Insurance Fund before Adjustment (Beginning of the Year)		Transferred from Revenue Accounts		Transferred from P&L A/c		Transferred from Reserve A/c		Transferred to Others		Life Insurance Fund before Adjustment (End of the Year)	
		This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year
1	Three Payment Plan	2,613,243,222	2,395,012,649	407,543,787	218,230,573			-				3,020,787,009	2,613,243,222
2	Endowment	3,073,298,503	2,394,293,311	736,160,748	679,005,192			-				3,809,459,251	3,073,298,503
3	Term Insurance					-	-	-	-	-	-	-	-
Total		5,686,541,725	4,789,305,960	1,143,704,535	897,235,765	-	-	-	-	-	-	6,830,246,260	5,686,541,725

Adjustment in Life Insurance Fund

Amount in NPR.

SN	Types of Insurance	Life insurance Fund before Adjustment (End of the Year)		Transfer to P&L Account		Liabilities for Policies		Provision for Bonus		Provision for Solvency Margin		Unallocated Amount		Life Insurance Fund at the End of Year	
		This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year
1	Three Payment Plan	3,020,787,009	2,613,243,222											3,020,787,009	2,613,243,222
2	Endowment	3,809,459,251	3,073,298,503											3,809,459,251	3,073,298,503
3	Term Insurance	-	-											-	-
Total		6,830,246,260	5,686,541,725	-	-	-	-	-	-	-	-	-	-	6,830,246,260	5,686,541,725

Provision written back**Annexure - 12**
Amount in NPR.

SN	Particular	This Year	Last Year
1	Reversal of Provision for Loss on Investment	-	-
2	Reversal of Loan loss Provision		
3	Reversal of Provision for Doubtful Debt		
4	Reversal Other Provision		
Total		-	-

Expense Written Off**Annexure - 13**
Amount in NPR.

SN	Particular	This Year	Last Year
1	Preliminary Expense	-	-
2	Pre-operating Expense	-	-
3	Deferred Expenditure	-	-
4	Investment Written off	-	-
5	Loan Written off	-	-
6	Debtors Written off	-	-
7	Other Written off	-	-
Total		-	-

Share Expense**Annexure- 13A**
Amount in NPR.

SN	Particular	This Year	Last Year
1	Share Issue Expense	-	-
2	Share Registration Expense	-	-
3	Share listing Expense	-	-
4	Dividend Distribution Expense	-	-
5	Other Expense	-	-
Total		-	-

Others Expense**Annexure - 14**
Amount in NPR.

SN	Particular	This Year	Last Year
1	Fine and Penalty	-	-
2	Late Fee and Fine		-
3	Others	-	-
Total		-	-

Provision for Loss**Annexure - 15**
Amount in NPR.

SN	Particular	This Year	Last Year
1	Provision for Loss on Investment	-	-
2	Loan Loss Provision	-	-
3	Provision for Doubtful Debt		
4	Other Provision	-	-
Total		-	-

A. Share Capital

Annexure - 16

Amount in NPR.

SN	Particular	This Year	Last Year
1	Authorized Capital		
	A.Equity Shares Worth Rs Each		
	B.Non Redeemable Preferred Worth Rs Each		
	C.Redeemable Preferred Worth Rs Each		
2	Issued Capital		
	A.Equity Shares Worth Rs Each		
	B.Non Redeemable Preferred Worth Rs Each		
	C.Redeemable Rreferred Worth Rs Each		
3	Paid-up Capital		
	A.Equity Shares Worth Rs Each		
	Less: Receivable Paid up Shares worth		
	B.Non Redeemable Preferred Worth Rs Each		
	C.Redeemable Rreferred Worth Rs Each		
Total		-	-

B. Ownership Structure of Share

Shareholders		This Year		Last Year	
		No. of Equity Share	Ownership %	No. of Equity Share	No. of Equity Share
Promoters	Nepalese Organized Institutions				
	Nepalese Citizens				
	Foreign				
Total					
Public					
Other (Details)					
Total					

Details of one or more Percentage of Share Owner

SN	Particular	This Year		Last Year	
		Ownership %	Amount	Ownership %	Amount

Reserve & Surplus**Annexure - 17**

Amount in NPR.

SN	Particular	This Year	Last Year
1	Reserve for Deferred Tax	7,053,056	5,992,335
2	Capital Reserve	-	-
3	Special Reserve	-	-
4	Other Reserve		
	HO Fund	61,548,000	49,369,500
	Contingency Reserve	15,000,000	15,000,000
	Shareholders share of Profit	38,672,774	
5	Share Premium	-	-
6	Proposed Bonus Share	-	-
7	Uncapitalized Bonus Share		
8	Profit Transferred from Profit & Loss A/c	24,882,128	38,672,774
Total		147,155,958	109,034,609

Catastrophe Reserve**Annexure - 18**

Amount in NPR.

Catastrophe Reserve at		Transferred from		Catastrophe Reserve at the end of	
This Year	Last Year	This Year	Last Year	This Year	Last Year
				-	-
				-	-
				-	-
				-	-
Total				-	-

Long Term Loan & borrowings**Annexure - 19**

Amount in NPR.

SN	Particular	This Year	Last Year
1	Debenture / Bond		-
2	Bank	-	-
3	Financial Institutions	-	-
4	Others		
Total		-	-

Fixed Assets

Annexure -20

Amount in NPR.

Particular	Cost				Depreciation Deduction				Net Price	
	Opening Balance	This Year Addition	This Year Less	Total	Up to Last Year	This Year	Sales /Adj.	Total	Up to This Year	Up to Last Year
Land	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-
Furniture & Fixture	15,098,424	304,959		15,403,383	14,082,057	578,132		14,660,189	743,194	1,016,367
Office Equipments	4,114,829	594,669	201,500	4,507,998	3,031,932	415,362.50	176,312	3,623,607	884,392	1,082,897
Computer and EDP	35,897,709	673,820		36,571,529	33,860,763	1,717,440		35,578,203	993,326	2,036,946
Intangible Assets	1,085,347			1,085,347	998,070	50,296		1,048,366	36,981	87,277
Auto Mobiles	14,203,315	1,995,000	824,000	15,374,315	9,328,812	582,215	745,587	10,656,614	4,717,701	4,874,503
Lease Hold Assets	3,021,860	-		3,021,860	3,021,860	-	-	3,021,860	-	-
Others	335,405		-	335,405	158,066			158,066	177,339	177,339
Total	73,756,889	3,568,448	1,025,500	76,299,837	64,481,560	3,343,446	921,899	68,746,905	7,552,933	9,275,329
Capital Expenditure -WIP	-	-	-	-	-	-	-	-	-	-
Grand Total	73,756,889	3,568,448	1,025,500	76,299,837	64,481,560	3,343,446	921,899	68,746,905	7,552,933	9,275,329
Last Year	72,600,439	3,027,200	1,870,750	73,756,889	58,222,619	8,129,691	1,870,750	64,481,560	9,275,329	

Investment

Annexure -21

Amount in NPR.

SN	Particular	This Year	Last Year
a.	<u>Long Term Investment :</u>		
1	Government Securities & Securities Guaranteed by Gov.	4,767,484,278	3,028,194,999
2	Fixed Deposit with Commercial Bank		190,000,000
3	Fixed Deposit with Development Bank	-	-
4	Citizen Investment Plan	-	-
5	Fixed deposit with Financial Institution	-	-
6	Equity Share of Housing Company	-	-
7	Equity Share of other Company	-	-
8	Debenture & Preference Share of Bank and Financial Institution	-	-
9	Other	-	-
	Total	4,767,484,278	3,218,194,999
b.	<u>Short Term Investment</u>		
1	Government Security	149,050,000	1,219,617,841
2	Fixed Deposit with Commercial Bank	1,786,478,663	1,074,992,581
3	Fixed Deposit with Development Bank		-
4	Citizen Investment Plan	-	-
5	Fixed deposit with Financial Institute	-	-
6	Debenture/Pref. Share of Banks & Financial Institute	-	-
7	Other Interest Earning with Commercial Bank	-	-
8	Other Interest Earning with Development Bank	-	-
9	Other Interest Earning with Financial Institute	-	-
10	Other Interest Earning Investments	-	-
	Total	1,935,528,663	2,294,610,422
	G. Total	6,703,012,941	5,512,805,421

Share Investment

Annexure - 21.1

SN	Company	Net Value	Par Value	Cost Price	Market Value
1 Companies no of Share @....			-	
				-	
	Total	-	-	-	-

Cash & Bank Balance**Annexure - 22**

Amount in NPR.

SN	Particular	This Year	Last Year
	Cash Balance		
1	Cash	57,000	100,530
	Total	57,000	100,530
	Bank Balance		
	Commercial Banks Balance	34,987,443	111,119,884
2	Development Banks Balance	-	-
	Finance Companies Balance	-	-
	Other	-	-
	Total	34,987,443	111,119,884
	G. Total	35,044,443	111,220,414

Other Loan**Annexure -23**

Amount in NPR.

SN	Particular	This Year	Last Year
A.	Long Term Loan		
1	Loan to Agent	106,831	385,640
2	Loan to Employee	-	-
3	Other	-	-
	Total	106,831	385,640
B.	Short Term Loan		
1	Loan to Agent	38,972	-
2	Loan to Employee	-	-
3	Other	-	-
	Total	38,972	-

Other Assets**Annexure - 24**

Amount in NPR.

SN	Particular	This Year	Last Year
1	Receivable income from Investment	73,880,841	79,965,793
2	Receivable Interest from Policy Loan	16,408,705	17,831,135
3	Receivable Interest from other Loan (except Policy Loan)	-	-
4	Receivable from other Insurer		
5	Receivable from Re-insurer	17,960,111	12,073,248
6	Sundry Debtors	-	-
7	Pre-payments	1,765,282	1,020,630
8	Staff Advance	5,079,054	4,986,404
9	Other Advance		
10	Deposit	-	-
11	Receivable Insurance Premium	-	-
	Less: Suspense Receivable Insurance Premium	-	-
12	Other - a. Gratuity Deposit at CIT office	12,675,513	10,971,236
	b. Advance Tax Deposited	80,604,085	72,861,795
	C. Deferred Tax	7,053,056	5,992,335
	Total	215,426,647	205,702,576

Current Liabilities**Annexure - 25**

Amount in NPR.

SN	Particular	This Year	Last Year
1	Payable to Agents	8,849,319	6,617,420
2	Payable to other Insurer		
3	Payable to Re-insurer	19,397,502	11,140,239
4	Short Term Lending		
5	Premium Deposit	640,000	400,000
6	Premium Deposit without Full Details	2,694,969	1,861,517
7	Sundry Creditors	1,145,901	848,800
8	Payable to Holding/Subsidiary Companies	-	-
9	Withholding Tax Payable	1,138,974	831,390
10	VAT Payable		
11	Service Fee Payable	14,855,369	14,334,544
12	Payable to Staff	2,463,908	2,344,547
13	Payable to Directors		
14	Dividend Payable		
15	Other		
	a. Outstanding Cheques	125,033,209	98,460,715
	Total	176,219,151	136,839,172

Provision for Unexpired Risk**Annexure - 26**

Amount in NPR.

SN	Particular	This Year	Last Year
1	Unexpired Risk Reserve for Three Payment Plan Insurance	-	
2	Unexpired Risk Reserve for Endowment Insurance	-	
3	Unexpired Risk Reserve for Term (non par) Insurance	43,384,567	44,525,822
	Total	43,384,567	44,525,822

Other Provision

Annexure - 26 A

Amount in NPR.

S N	Particular	Opening Provision		Additional Provision during the Fiscal Year		Written Off / Payment during the Fiscal Year		Adjustment of Provision during the Fiscal Year		Provision at the End of This Year	
		This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year
1	Provision for Dividend	-	25,573,065	-		-	25,573,065			-	-
2	Provision for Income Tax	68,441,297	19,130,984	94,447,722	68,441,297	68,441,297	19,130,984			94,447,722	68,441,297
3	Provision for Loss on Investment	-	-							-	-
4	Provision for Loss on Debt	-	-							-	-
5	Provision for Doubtful Debtor	-	-							-	-
6	Provision for Other Loss	-	-							-	-
7	Provision for Staffs	-	-							-	-
	Provision for Gratuity & Pension	10,971,236	7,599,751	2,496,124	4,706,862	1,090,259	1,335,377			12,377,101	10,971,236
	Provision for Leave Encashment	2,052,622	1,590,397	168,936	556,215	168,936	93,990			2,052,622	2,052,622
	Provision for Housing & Others	9,162,926	6,923,976	1,440,544	2,238,950					10,603,470	9,162,926
	Provision for Staff Bonus	3,867,277	3,250,132	2,488,213	3,867,277	3,867,277	3,250,132			2,488,213	3,867,277
	Others	-								-	
8	Other Provision	-								-	
	Total	94,495,358	64,068,305	101,041,539	79,810,601	73,567,769	49,383,548	-	-	121,969,128	94,495,358

Other Expenses Balance for Written off / Adjustment**Annxure- 27**

Amount in NPR.

SN	Particular	This Year	Last Year
1	Balance Preliminary Expenses for		
2	Balance Pre-operating Expenses for		
3	Balance Investment Premium for	33,318,901	64,288,205
4	Balance Deferred Expenses for		
5	Others		
Total		33,318,901.00	64,288,205

Annexure – 28

Significant Accounting Policies on Financial statement

American Life Insurance Company (ALICO) is incorporated under the laws of the United States of America. The company commenced life insurance business as a branch in Nepal from the year 2002 under the license granted by the Insurance Board. The Nepal branch was registered as a branch of foreign company in 2006 under the Company Ordinance, 2006.

1. Basis of financial statement presentation

Basis of Preparation

The financial statements are prepared in accordance with generally accepted accounting practices in Nepal, the Insurance Act, 2049, the Insurance Regulations 2049 and guidelines issued by the Insurance Board and unless otherwise stated, is based on historical cost convention and accrual basis of accounting. It includes transactions of Nepal branch only.

Use of Estimates

The preparation of the financial statements in conformity with Nepal accounting standard requires to management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of balance sheets. Actual amount could differ from those estimates. Any differences from those estimates are recorded in the period in which they are identified.

Comparative Information

The accounting policies have been consistently applied by the company and are consistent with those used in the previous year, except otherwise stated. Previous year figures in some headings have been regrouped or rearranged wherever necessary to facilitate comparison only.

2. Fixed Assets Accounting policy

Fixed assets are stated on historical cost less accumulated depreciation. Original cost includes all expenses incurred up to commissioning/putting the assets in use.

3. Depreciation accounting policy

Fixed assets are depreciated using straight line method at the rates prescribed by schedule 2, Income Tax Act, 2058.

4. Accounting policy for non capital items

Non consumable items normally having life less than one year and/or costing less than Rs. 5,000 is expenses off during the year of purchase.

5. Provision for Income tax & its appropriation policy

a. Current Tax

Provisions for taxes have been made in accordance with Income Tax Act 2058 and amendments thereto. Provisions for taxes have been apportioned to revenue accounts in accordance with the directive of Insurance Board.

b. Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities, and their respective tax bases using the asset and liability method. Deferred tax has been calculated as per the method prescribed by Nepal Accounting Standards – 9

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred tax assets and liabilities is recognized as income in the period that includes the enactment date.

Deferred tax assets arising from the temporary differences and unused tax losses are recognized to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax related to temporary differences in opening balances is adjusted directly with Life Insurance Fund on and subsequent year differences are recognized in the Profit & Loss Account and Revenue Accounts the basis of weightage as prescribed by the Insurance Board.

6. Accounting of Investment policy

All investments are made within guideline of investment directive and valued as per financial directive issued by Insurance Board as follows:

Investment made in government securities, development bonds and debentures secured by Nepal governments are valued for accounting based on cost or face value whichever is less. Government securities are purchased in premium, excess amount on face value of securities have been amortized as “Deferred Expenditure” over the period of their maturity on pro-rata basis. Government securities are purchased in discount, difference amount on face value of securities have been amortized as “Income on investment” over the period of their maturity on pro-rata basis.

Investments in Fixed deposit of banks are valued at cost.

7. Accounting policy on foreign exchange fluctuation

Assets and liabilities in foreign currency at the end of fiscal year has been converted using selling rate into Nepali currency. Foreign currency transactions are accounted for at the exchange rates prevailing on the date of the transactions taking place. The amount of sales made in foreign currency is accounted at the rate prevailing on the date of transaction. Receivable or payable at the end of fiscal year is computed on the basis of foreign exchange revaluation difference is shown in profit & loss accounts.

8. Accounting policy on premium income

- a. Gross premium income is recognized on cash basis in accordance with the Insurance Regulations & financial directives that is not consistent with Nepal Accounting Standard which requires revenue to be recognized on an accrual basis. Cash received in advance is recognized as premium income during the period to which they relate.
- b. Entire single premium income is recognized on cash basis and unexpired risk reserve is booked as per financial directive issued by Insurance Board.

9. Accounting policy on re-insurance commission

Re-insurance commission income is recognized on accrual basis in accordance with the re-insurance agreements.

10. Accounting & allocation policy for other revenue

All other revenues except late fees on overdue premium are recognized on accrual basis as per Nepal Accounting standard and allocated as per financial directive issued by Insurance Board.

11. Accounting policy on Policy Loan

Policy loans are valued at cost plus capitalized interest at the time of anniversary of the policy.

12. Management expenses appropriation policy

Management expenses are allocated as per financial directive issued by Insurance Board. 10% of the management expenses is directly charged to Profit & Loss account and balance expenses is appropriated in to the respective revenue accounts as per directives.

13. Accounting policy for the payment of insurance Claim expenses

Claim expenses are accounted for the payable amount to the policy holder in accordance with the insurance policy along with the expenses directly attributable thereon for claim settlement. However, claim expenses related with the company's representative or staffs is not included under this.

14. Provision for outstanding insurance claim on accounting policy

As per Insurance Act 2049 section 15 (d) 115% provision made on total of outstanding claim. IBNR claims have been booked on actual basis of claim intimated till balance sheet date in accordance with the directive of Insurance Board and Nepal Accounting Standards 05 on "Events after the Balance Sheet Date" plus as per company practice.

15. Policy for Allocation of surplus on Insurance business

Surplus arising from insurance businesses is allocated as follows in accordance with the directives of Insurance Board:

- a. All the surplus arising from participating insurance business revenue accounts is transferred to life Insurance fund for actuarial valuation.
- b. All the surplus arising from non-participating insurance business revenue account is transferred to Profit & Loss Account.

- c. Shareholders' profit of Rs. 38,672,774 in connection with FY 2067/68 has been included in the Balance Sheet under 'Reserves and Surplus' as 'Other Reserve – Shareholders' Profit' in accordance with the Insurance Board's directive dated May 02, 2012 (Bi. Bi. Sha. 518(068/69) Dispatch No.4267). In the Financial Statement for FY 2067/68 to which this profit pertains, the Company intended to classify the Shareholders' profit under 'Proposed Dividend – Cash Dividend' since it has been operating as a branch in Nepal and accordingly, is not subject to paid up capital requirement. However, the Insurance Board advised the Company to revise the Financial Statements and informed that the Insurance Board will review the issue of cash dividend of branch operation later. The Company is yet to receive any decision from the Insurance Board and as such, Shareholders' profit of Rs. 24,882,128 in connection with FY 2068/69 has also been transferred to 'Reserves and Surplus' account. The Company understands that it will be allowed to remit the total amount of Rs. 63,554,902 representing Shareholders' profit for the years 2067/68 and 2068/69 to its Head Office in the USA.

16. Provision for employee gratuity, leave and other facility accounting policy

Provision for gratuity, leave encashment and other benefits payable to employees as per the employee service rule of the Company is accounted for on accrual basis in accordance with the Nepal Accounting Standards. Contributions to approved retirement fund are made on a regular basis as per the Retirement Fund rules and regulations.

17. Policy for Doubtful debt provision:

Company's management is applying appropriate policy for doubtful debt provision.

18. Policy for amortization.

Expenses incurred on improvement of leasehold property are amortized over the life of the lease or within 5 years of improvement whichever is shorter on straight line basis. Investment purchased in premium amount is amortized as per IB financial directive over the period of investment.

19. Provision for Bonus:

Provision for bonus for this year has been calculated @ 10% as per the provision of Bonus Act, 2030

Annexure – 29

Notes to Accounts on financial statements

1. Contingent Liabilities

- a. Outstanding for settlement of investment : None
- b. Underwriting Commitments: None
- c. Not accepted/denied non insurance litigation/claim to the company: None
- d. Guarantees issued by insurer or on behalf of insurer: None
- e. Other Liabilities (Give details):None

2. Basis taken by actuary for insurer's liabilities valuation.

The recent most actuarial valuation of Par Life Fund was carried out for 2008-011 which was based on Nepali mortality table published by Insurance Board (unless otherwise mentioned) at 4.5% discount rate. For non-par fund, reserve is based on unearned premium Reserve. Accumulated fund for DPS product of NPR.7, 318,536 is shown under unexpired risk reserve. Reserve is kept for Incurred but Not Reported claims (IBNR) as well.

3. The Company does not have any limitation & disputes on its assets.

4. The Company does not have any commitments on Loan, Investment & Fixed Assets.

5. Value of investment pursuant to sales / purchase agreements:

- a. Ownership not obtained for purchased Assets: None
- b. Payment not received for sale of assets: None

6. Details of investment, sales/refund received of investment during the year with name of organization, date, quantity and amount:

Investment Details					
S N	Name	Type of Investment	Purchase date	Qty	Face Value
1	Nepal Rastra Bank	Development Bond	1/12/2012	1	506,200,000
2	Nepal Rastra Bank	Development Bond	4/4/2012	1	598,250,000
3	Nepal Rastra Bank	National Saving Bond	4/11/2012	1	229,004,000
4	Nepal Rastra Bank	Development Bond	6/6/2012	1	218,350,000
5	Nepal Rastra Bank	National Saving Bond	7/4/2012	1	196,598,000
6	Nabil Bank	Fixed Deposit	8/22/2011	1	27,000,000
7	Nabil Bank	Fixed Deposit	9/24/2011	1	77,000,000
8	Nabil Bank	Fixed Deposit	1/23/2012	1	59,000,000
9	Nabil Bank	Fixed Deposit	7/12/2012	1	142,400,000
10	Nabil Bank	Fixed Deposit	7/14/2012	1	25,000,000
11	Nepal Investment Bank	Fixed Deposit	7/27/2011	1	12,000,000
12	Nepal Investment Bank	Fixed Deposit	2/8/2012	1	150,000,000
13	Nepal Investment Bank	Fixed Deposit	4/30/2012	1	200,000,000
14	Nepal Investment Bank	Fixed Deposit	5/2/2012	1	10,000,000
15	Nepal Investment Bank	Fixed Deposit	6/6/2012	1	35,000,000
16	Nepal Investment Bank	Fixed Deposit	7/15/2012	1	10,000,000
17	Himalayan Bank	Fixed Deposit	4/30/2012	1	90,000,000
18	NIC Bank	Fixed Deposit	7/21/2011	1	10,000,000
19	NIC Bank	Fixed Deposit	7/26/2011	1	5,000,000
20	NIC Bank	Fixed Deposit	2/8/2012	1	70,000,000
21	NIC Bank	Fixed Deposit	6/6/2012	1	95,000,000
22	NIC Bank	Fixed Deposit	6/7/2012	1	15,000,000
23	NIC Bank	Fixed Deposit	7/12/2012	1	15,000,000
24	Everest Bank	Fixed Deposit	7/19/2011	1	10,000,000
25	Everest Bank	Fixed Deposit	7/27/2011	1	11,000,000
26	Everest Bank	Fixed Deposit	2/8/2012	1	99,000,000
27	Everest Bank	Fixed Deposit	6/7/2012	1	24,400,000
28	Everest Bank	Fixed Deposit	7/12/2012	1	163,000,000
29	Laxmi Bank	Fixed Deposit	1/23/2012	1	39,000,000
30	Laxmi Bank	Fixed Deposit	7/12/2012	1	12,000,000
31	Laxmi Bank	Fixed Deposit	7/15/2012	1	4,200,000
32	Siddhartha Bank	Fixed Deposit	2/8/2012	1	54,000,000
33	Siddhartha Bank	Fixed Deposit	7/12/2012	1	31,000,000
34	Siddhartha Bank	Fixed Deposit	7/14/2012	1	2,500,000
35	Nepal SBI Bank	Fixed Deposit	7/27/2011	1	16,000,000
36	Nepal SBI Bank	Fixed Deposit	2/8/2012	1	16,000,000
37	Standard Chartered Bank Nepal LTD.	USD Fixed Deposit	4/27/2012	1	750,156

Maturities (sale/Refund details)					
S N	Name	Type of Investment	Maturity Date	Qty	Face Value
1	Nepal Rastra Bank	Treasury Bills	7/19/2011	1	75,000,000
2	Nepal Rastra Bank	Treasury Bills	7/26/2011	1	55,000,000
3	Nepal Rastra Bank	Treasury Bills	9/20/2011	1	75,000,000
4	Nepal Rastra Bank	Treasury Bills	10/18/2011	1	75,000,000
5	Nepal Rastra Bank	Treasury Bills	10/25/2011	1	187,500,000
6	Nepal Rastra Bank	Treasury Bills	11/1/2011	1	75,000,000
7	Nepal Rastra Bank	Treasury Bills	11/22/2011	1	75,000,000
8	Nepal Rastra Bank	Treasury Bills	12/20/2011	1	170,000,000
9	Nepal Rastra Bank	Treasury Bills	3/20/2012	1	150,000,000
10	Nepal Rastra Bank	Treasury Bills	3/27/2012	1	190,000,000
11	Nepal Rastra Bank	Treasury Bills	4/3/2012	1	165,000,000
12	Nepal Rastra Bank	Treasury Bills	4/10/2012	1	54,000,000
13	Nepal Rastra Bank	Treasury Bills	6/12/2012	1	192,800,000
14	Nepal Rastra Bank	Treasury Bills	6/19/2012	1	110,000,000
15	NIC Bank	Fixed Deposit	7/20/2011	1	10,000,000
16	NIC Bank	Fixed Deposit	7/26/2011	1	5,000,000
17	NIC Bank	Fixed Deposit	10/5/2011	1	23,000,000
18	NIC Bank	Fixed Deposit	10/13/2011	1	10,000,000
19	NIC Bank	Fixed Deposit	11/19/2011	1	19,030,000
20	NIC Bank	Fixed Deposit	6/7/2012	1	15,000,000
21	NIC Bank	Fixed Deposit	6/20/2012	1	15,000,000
22	Himalayan Bank	Fixed Deposit	7/20/2011	1	10,000,000
23	Himalayan Bank	Fixed Deposit	7/27/2011	1	12,000,000
24	Himalayan Bank	Fixed Deposit	11/1/2011	1	112,500,000
25	Himalayan Bank	Fixed Deposit	1/20/2012	1	10,000,000
26	Himalayan Bank	Fixed Deposit	1/27/2012	1	12,000,000
27	Himalayan Bank	Fixed Deposit	3/20/2012	1	25,000,000
28	Everest Bank	Fixed Deposit	7/19/2011	1	10,000,000
29	Everest Bank	Fixed Deposit	7/27/2011	1	11,000,000
30	Everest Bank	Fixed Deposit	11/1/2011	1	75,000,000
31	Everest Bank	Fixed Deposit	6/8/2012	1	24,400,000
32	Everest Bank	Fixed Deposit	6/20/2012	1	17,500,000
33	Nepal SBI Bank	Fixed Deposit	7/27/2011	1	16,000,000
34	Nepal Investment Bank	Fixed Deposit	9/24/2011	1	192,900,000
35	Nepal Investment Bank	Fixed Deposit	7/27/2011	1	12,000,000
36	Nepal Investment Bank	Fixed Deposit	11/20/2011	1	38,060,000
37	Nepal Investment Bank	Fixed Deposit	7/14/2012	1	10,000,000
38	Nabil Bank	Fixed Deposit	8/22/2011	1	27,000,000
39	Nabil Bank	Fixed Deposit	9/24/2011	1	77,000,000
40	Nabil Bank	Fixed Deposit	11/19/2011	1	38,060,000
41	Nabil Bank	Fixed Deposit	6/19/2012	1	45,000,000
42	Nabil Bank	Fixed Deposit	7/14/2012	1	25,000,000
43	Laxmi Bank	Fixed Deposit	11/16/2011	1	26,173,000
44	Laxmi Bank	Fixed Deposit	7/14/2012	1	4,200,000
45	Siddhartha Bank	Fixed Deposit	11/17/2011	1	37,390,000
46	Siddhartha Bank	Fixed Deposit	7/14/2011	1	2,500,000
47	Nepal SBI Bank	Fixed Deposit	6/5/2012	1	15,900,000
48	Nepal SBI Bank	Fixed Deposit	6/20/2012	1	50,000,000
49	Nepal SBI Bank	Fixed Deposit	7/14/2012	1	10,000,000
50	Standard Chartered Bank Nepal LTD.	USD Fixed Deposit	4/27/2012	1	746,046

7. All the bank balances have been reconciled with the balance confirmation certificates obtained from them.

8. All the re-insurer balances have been reconciled with the balance confirmation certificates obtained from them.

9. All the investments made by the insurer are in line with Insurance Act, Rules & Regulation as specified by the Insurance board.
10. The Company does not have any transactions with the Board of Directors or their related person or organization of the Board of Directors or their related person.
11. The Company has not obtained loan against the mortgage of its property.
12. The Company has filed self tax assessment return to the Large Tax Payer's Office (LTPO) since the fiscal year 2058/59 to fiscal year 2067/068. Appeal to the Revenue Tribunal Office against the final tax assessment made by LTPO and Department of Tax for FY 2061/062 & 2062/063 for disallowing the management expenses NPR.25,852,799 & NPR.27,958,933 respectively lost the case and necessary provision was made as per IB Instructions letter dated 2069/12/27. Appeal against disallowed management expenses of NPR.5,156,976 for the FY 2064/65 is pending decision at Department of tax. The company's final tax assessment from LTPO for fiscal years 2065/066 to fiscal year 2067/068 is pending as on the Balance Sheet date. The company has not received the tax clearance certificate for any of the fiscal years from Inland Revenue Department.
13. **Premiums refunded**

During the year, the company refunded premium of NPR 174,106 collected due to not having of valid Agent license, not acceptable age, Non submission of requirements/medical reports etc.
14. **Declared & interim bonus rate**

The Company has declared bonus rate for fiscal year 2002-05 is 50 per thousand and 25 per thousand for fiscal year 2005-08 based on actuarial valuation of the same period.
15. The company has adopted the Standard rate of 12% for fees and interest on late payment of insurance premium and policy loan which is subject to vary during the reinstatement campaign.
16. The Company has deferred investment expenditure for NPR. 33,318,901 representing premium paid at the time purchase of investments which has written off over the term of respective investments during this year.
17. Details of paid in advance in share capital, Call in arrears and ceased but not re-issued shares-None.
18. Leasehold Assets – None.
19. Total transaction of off-balance sheet items in a year. - None.
20. There are no prior period expenses or incomes accounted in this fiscal year.
- 21.1 Solvency margin & catastrophe reserve has not been computed due to lack of related computational guidelines from the Insurance Board.
- 21.2 **Related Parties Transactions**
There is no related party transaction in this year.

21.3 Deferred Taxes

Deferred tax is calculated on temporary differences using effective tax rate of 25% (previous year: 25%). There was not separate place to put deferred tax reserve figure last year, this year it has been separately disclosed in axn-17.

The items attributable to deferred tax assets and liabilities and their movement are as follows:

Particular	Balance of 16 July 2011	Movement during the year	Balance of 16 July 2012
Deferred Tax Assets			
Accumulated depreciation in Financial Statements	3,188,479.00	74,677.00	3,263,156.00
Provision for gratuity	-	624,031.00	624,031.00
Provision for Employee Housing	2,290,700.00	362,056.00	2,652,756.00
Provision for Leave Encashment	513,156.00	-	513,156.00
Net Deferred Tax assets	5,992,335.00	1,060,764.00	7,053,099.00

21.4 Fund received from HO as working capital is shown under the other reserve. In addition to other reserve company maintained accumulated contingency reserve of NPR.15, 000,000.

21.5 Full commission expenses charged in the non participating revenue account during the year of payment for single premium (micro insurance business) which is not in line with Nepal accounting standard.

Major Indicators

Annexure - 30

SN.	Particular	Indicator	Fiscal Year			
			2011/12	2010/11	2009/10	2008/09
			2068/069	2067/068	2066/067	2065/066
1	Net Worth	NPR.	147,155,958	75,715,708	73,500,425	63,854,500
2	Number of Share	Count	-	-	-	-
3	Book Value Per Share	NPR.	-	-	-	-
4	Net Profit	NPR.	25,942,849	37,528,284	5,274,877	67,468,134
5	Earning Per Share (EPS)	NPR.	-	-	-	-
6	Dividend Per Share (DPS)	NPR.	-	-	-	-
7	Market Price Per Share (MPPS)	NPR.	-	-	-	-
8	Price Earning Ration (PE Ratio)	Ratio	-	-	-	-
9	First Year Premium	NPR.	136,460,837	152,231,767	151,040,171	229,137,304
10	Gross Premium	NPR.	1,485,536,888	1,433,454,398	1,465,458,330	1,522,389,346
11	Net premium/Gross Premium	%	99.1%	98.5%	98.2%	97.9%
12	Net profit/Gross Premium	%	1.7%	2.9%	0.4%	4.4%
13	Gross Premium/Total Assets	%	20%	23%	28%	36%
14	Income from Investment & Loan/ Total Investment & Loan	%	7.1%	8.0%	6.1%	5.3%
15	Total Investment & Loan/Life Fund	%	105%	103%	104%	105%
16	RI Commission Income/Total RI Premium	%	45.2%	31.0%	24.7%	18.8%
17	Management Expenses/Gross Premium	%	7.3%	7.3%	6.6%	7.2%
18	Agent Expenses/Gross Premium	%	6.5%	6.9%	7.0%	8.1%
19	Total Number of Agents	count	2,500	2,331	2,149	3,242
20	Number of Employee	count	90	93	84	89
21	Number of Offices	count	14	14	13	13
22	Employee Expenses/Management Expenses	%	38.9%	39.9%	38.1%	33.5%
23	Employee Expenses/Number of Employee	NPR.	471,380	447,066	438,401	411,754
24	Payable Claim/Paid Claim	%	29%	30%	27%	21%
25	Total Number of Inforce Policy	Count	264,893	255,552	176,004	139,728
26	This Year Renewed Policy/ Inforce Policy up to Last Year	%	86.7%	86.7%	83.3%	86.5%
27	Number of Claim/ Total Inforce Policy	%	0.08%	0.08%	0.12%	0.15%
28	Solvency Margin	%				
29	Declared Bonus Rate	NPR./1000	25	25	25	25
30	Interim Bonus Rate	NPR./1000	25	25	25	25

Statement of Sum Assured

Annexure - 31

Amount in NPR.

SN	Type of Insurance	Inforce Policy Count		Sum Assured of Inforce Policies		Sum at Risk		Sum at Risk Transferred to Re-insurer		Sum at risk retained by insurer	
		This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year
1	Three Payment Plan	63,057	63,788	8,396,701,344	8,471,244,144	4,193,462,802	7,245,207,889	1,153,447,355	918,525,722	3,040,015,447	6,326,682,167
2	Endowment	64,882	63,097	8,115,408,347	7,543,060,431	5,099,955,513	6,451,359,448	1,057,545,028	794,480,035	4,042,410,485	5,656,879,413
3	Term Insurance	136,954	128,667	9,585,760,231	7,699,327,068	7,708,668,929	7,699,327,068	3,222,263,601	3,446,745,797	4,486,405,328	4,252,581,271
Total		264,893	255,552	26,097,869,922	23,713,631,643	17,002,087,244	21,395,894,405	5,433,255,984	5,159,751,554	11,568,831,260	16,236,142,851



बीमा समिति BEEMA SAMITI

CHABAHIL, KA. MA, PA.-7

P.O. BOXNO. 2172, KATHMANDU, NEPAL

TELEPHONE : 4810818, 4810989, 4811057

TOLL FREE NO. : 1660-01-56789

FAX : 977-1-4810490

E-MAIL : bsib@wlink.com.np

WEBSITE : www.bsib.org.np



मिति : २०७०/०२/१३

वि.वि.शा.११५ (२०६९/७०) च.नं. २०९६

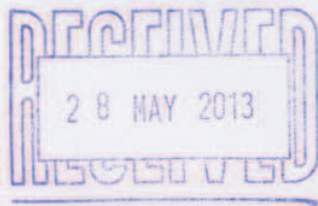
श्री मेट लाइफ (ALICO),
पुल्चोक, ललितपुर ।

विषय : आ.व.०६८/६९ को वित्तीय विवरण स-शर्त स्वीकृति बारे ।

यस समितिमा प्राप्त तहाँको मिति २०७०/०२/०९, (१३२/२०१३) समेतको पत्र सम्बन्धमा लेखिदैछ ।

बीमकको वित्तीय विवरण प्रतिको उत्तरदायित्व बीमकमा रहेको सर्वविदितै छ । लेखा परीक्षण भई समितिको स्वीकृतिको लागि पेश हुन आएको तहाँको आ.व. २०६८/६९ को वित्तीय विवरण सम्बन्धमा देहाय बमोजिमका शर्तहरु सहित स्वीकृत गरिएको व्यहोरा निर्णयानुसार आवश्यक कार्याथ जानकारी गराइन्छ ।

- १ समितिले जारी गरिएको बीमकको संस्थागत सुशासन सम्बन्धी निर्देशिका, २०६९ को पूर्ण पालना गर्नु हुन ।
- २ पूर्ण विवरण नखुलेको बीमाशुल्क न्यूनीकरण गर्ने तर्फ बीमक सचेत रहनु हुन ।
- ३ बीमकको उल्लेख्य रुपमा रहेको भुक्तानी गर्नु पर्ने चेक (Outstanding Cheques) मौज्जात न्यूनीकरण गर्नु हुन ।
- ४ लेखा परीक्षकले औल्याइएका अन्य कैफियतहरु सुधार गरी आन्तरिक नियन्त्रण प्रणाली प्रभावकारी बनाउनु हुन ।



(सन्तोष प्रसाद)
चार्टर्ड एकाउन्टेन्ट