

## **Independent Reasonable Assurance Report to the Board of Directors on the Statement of Management's Assessment of Compliance with the Takaful Rules, 2012**

### **1. Introduction**

We were engaged by the Board of Directors of **TPL Life Insurance Limited** (the Company) to report on the management's assessment of compliance of the Window Takaful Operations (Takaful Operations) of the Company, as set out in the annexed Statement of Compliance (the Statement) prepared by the management for the year ended **31 December 2020**, with the Takaful Rules, 2012, in the form of an independent reasonable assurance conclusion about whether the annexed statement presents fairly the status of compliance with the Takaful Rules, 2012, in all material respects.

### **2. Applicable Criteria**

The criteria against which the subject matter information (the Statement) is assessed is the Takaful Rules, 2012.

### **3. Responsibilities of Management**

The management of the Company is responsible for preparation of the annexed Statement that is free from material misstatement. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation of the annexed Statement that is free from material misstatement, whether due to fraud or error. It also includes ensuring the overall compliance of the Takaful Operations with the Takaful Rules, 2012.

### **4. Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of the *Code of Ethics for Chartered Accountants* issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

This engagement was conducted by a multidisciplinary team including assurance practitioners and Shari'ah expert.

### **5. Our Responsibility and Summary of Work Performed**

Our responsibility is to carry out an independent reasonable assurance engagement to express a conclusion as to whether the Statement is prepared in accordance with the applicable criteria, based on our work performed and the evidences obtained.

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We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements other than audits or reviews of historical financial statements' (ISAE 3000) (Revised) issued by the International Auditing and Assurance Standards Board. ISAE 3000 (Revised) requires that we plan and perform this engagement to obtain reasonable level of assurance about whether the Statement presents fairly the status of compliance of the Takaful Operations with the Takaful Rules 2012, in all material respects.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the, risks of the Company's material non-compliance with the Takaful Rules 2012, whether due to fraud or error. In making those risk assessments, we considered internal control relevant to the Company's compliance with the Takaful Rules, 2012, in order to design assurance procedures that are appropriate in the circumstances but not for the purpose of expressing a conclusion as to the effectiveness of the Company's internal control over the Takaful Operations' compliance with the Takaful Rules, 2012. A system of internal control, because of its nature, may not prevent or detect all instances of non-compliance with the Takaful Rules, 2012, and consequently cannot provide absolute assurance that the objective of compliance with the Takaful Rules, 2012 will be met. Further, projection of any evaluation of effectiveness to future periods is subject to the risk that the controls may become inadequate or fail.

We have designed and performed necessary verification procedures on various financial arrangements, contracts, classes of transactions and related policies and procedures based on judgmental and systematic samples with regard to the compliance with Takaful Rules, 2012.

In performing our audit procedures necessary guidance on Shari'ah matters was provided by the Shari'ah expert referred above.

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

## 6. Conclusion

In our opinion, the Statement for the year ended 31 December 2020 present fairly the status of compliance of the Takaful Operations of the Company with the Takaful Rules, 2012, in all material respects.

Date: 17 May 2021  
Karachi

Signature  
Chartered Accountants

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Shaikh Ahmed Salman  
Assurance Engagement Partner