

**ALPHA INSURANCE
COMPANY LIMITED -
WINDOW TAKAFUL
OPERATIONS**

FINANCIAL STATEMENTS

(Un-Audited)

for the three months period ended March 31, 2024

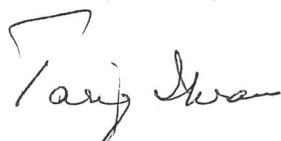
ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION OF OPERATOR'S FUND AND PARTICIPANTS'
TAKAFUL FUND (UNAUDITED)


As at March 31, 2024

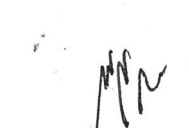
	Note	Operator's Fund		Participant's Takaful Fund	
		March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
------(Rupees)-----					
Assets					
Investments	7	25,000,000	25,000,000	-	-
Retakaful recoveries against outstanding claims		-	-	-	-
Takaful / retakaful receivables	10	-	-	8,230,978	9,428,336
Deferred wakala expense	17	-	-	6,386,961	5,406,246
Deferred commission expense	18	3,280,268	2,823,772	-	-
Qard-e-hasna contributed to PTF		-	-	-	-
Receivable from PTF	9	4,758,333	10,709,827	-	-
Taxation - payments less provision		961,912	22,018	20,030	58,252
Other receivables	8	2,578,265	1,095,865	-	-
Prepayments	11	-	-	12,461,351	10,630,110
Cash and bank	12	33,271,555	25,545,371	9,217,421	9,533,696
Total Assets		69,850,333	65,196,853	36,316,741	35,056,640
Funds and Liabilities					
Reserve attributable to:					
Operator's Fund (OPF)					
Statutory fund		50,000,000	50,000,000	-	-
Accumulated Surplus		4,581,157	2,883,227	-	-
Balance of Operator's Fund		54,581,157	52,883,227	-	-
Participant's Takaful Fund (PTF)					
Ceded Money		-	-	500,000	500,000
Accumulated deficit		-	-	(3,953,205)	(2,474,275)
Balance of Participant's Takaful Fund / Waqf		-	-	(3,453,205)	(1,974,275)
Qard-e-Hasna		-	-	-	-
Liabilities					
PTF Underwriting provisions					
Unearned contribution reserve	14	-	-	18,386,841	15,584,797
Outstanding claims/benefits (including IBNR)	16	-	-	2,073,021	490,482
Reserve for Unearned retakaful rebate	15	-	-	381,659	372,110
		-	-	20,841,521	16,447,389
Unearned wakala fees		6,386,961	5,406,246	-	-
Takaful / retakaful payables		-	-	8,391,414	4,649,812
Payable to OPF	9	-	-	4,758,333	10,709,827
Contribution received in advance		-	-	1,252,957	376,317
Other creditors and accruals	13	8,882,214	6,907,380	7,179,015	4,847,570
		15,269,175	12,313,626	21,581,719	20,583,526
Total Fund and Liabilities		69,850,333	65,196,853	38,970,034	35,056,640
Contingencies and commitments					

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chairman


Director


Director

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS (UNAUDITED)

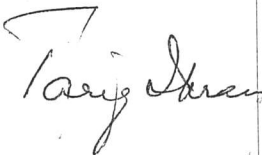
For the three months period ended March 31, 2024

	Note	Three Months ended March 31,	
		2024	2023
		------(Rupees)-----	
Participant's Takaful Fund			
Contribution earned - net of wakala fee	14	3,783,282	-
Less: Contribution ceded to retakaful	14	(3,407,306)	(730,030)
Net contribution revenue		375,976	(730,030)
Re-takaful rebate earned	15	116,900	-
Net underwriting income		492,876	(730,030)
Net claims benefits- reported / settled	16	(2,074,251)	-
Other direct expenses		(72,114)	-
(Deficit) / before investment income		(1,653,489)	(730,030)
Investment income	20	-	-
Other income	22	249,370	-
Less: Modarib's share of investment income		(74,811)	-
Surplus/deficit for the period		(1,478,930)	(730,030)
Operator's Fund			
Wakala fee		2,037,152	-
Commission expense	18	(1,046,750)	-
Ceded money expense		-	(500,000)
General, administrative and management expenses	19	(1,012,500)	(510,756)
		(22,099)	(1,010,756)
Modarib's share of PTF investment income		74,811	-
Investment Income	20	1,482,400	-
Other Income	21	1,018,839	976,262
Other expenses	23	(162,500)	-
Profit Before taxation		2,391,451	(34,494)
Taxation		(693,521)	-
Surplus/deficit for the period after tax		1,697,930	(34,494)

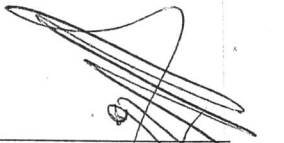
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Chief Executive Officer



Chairman



Director



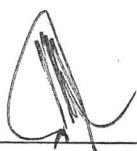
Director

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)


For the three months period ended March 31, 2024

	Three Months ended March 31,	
	2024	2023
	------(Rupees)-----	
<u>Participant's Takaful Fund</u>		
(Deficit) / Surplus for the period	(1,478,930)	(730,030)
Other comprehensive income / (loss) for the period:		
Unrealized loss on available for sale securities	-	-
Total comprehensive income / (loss) for the period	<u>(1,478,930)</u>	<u>(730,030)</u>
<u>Operator's Fund</u>		
Surplus/deficit for the period after tax	1,697,930	(34,494)
Other comprehensive income / (loss) for the period:		
Unrealized income on available for sale securities	-	-
Total comprehensive (loss) / income for the period	<u>1,697,930</u>	<u>(34,494)</u>

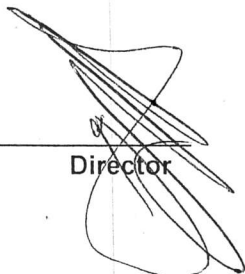
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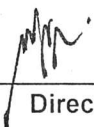
 Chief Executive Officer



 Chairman



 Director



 Director

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF CHANGES IN FUNDS (UNAUDITED)

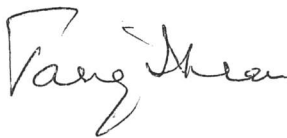
For the Three months period ended March 31, 2024

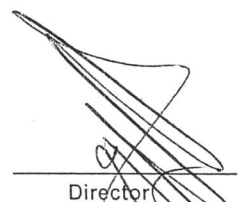
	Operator's Fund			Total
	Statutory fund	Unrealized gain / (loss) on revaluation of available-for-sale	Accumulated Surplus/Deficit	
------(Rupees)-----				
Balance as at January 01, 2023	-	-	-	-
Total comprehensive income/ (loss) for the period ended March 31, 2023			(34,494)	
Net Income/ loss for the period	-	-	-	-
Other comprehensive income for the period	-	-	-	-
Balance as at March 31, 2023	-	-	(34,494)	-
Balance as at January 01, 2024	50,000,000	-	2,883,227	52,883,227
Total comprehensive income/ (loss) for the period ended March 31, 2024			-	-
Net Income/ loss for the period	-	-	1,697,930	1,697,930
Other comprehensive income for the period	-	-	-	-
Balance as at March 31, 2024	50,000,000	-	4,581,157	54,581,157

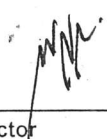
	Participant's Takaful Fund			Total
	Ceded Money	Unrealized gain / (loss) on revaluation of available-for-sale	Accumulated Surplus/Deficit	
Balance as at January 01, 2023	-	-	-	-
Total Surplus/ (Deficit) for the period ended March 31, 2023	500,000	-	(730,030)	
Surplus/Deficit for the period	-	-	-	-
Other comprehensive loss for the period	-	-	-	-
Balance as at March 31, 2023	500,000	-	(730,030)	-
Balance as at January 01, 2024	500,000	-	(2,474,275)	(1,974,275)
Total Surplus/ (Deficit) for the period ended March 31, 2024				
Surplus/Deficit for the period	-	-	(1,478,930)	(1,478,930)
Other comprehensive loss for the period	-	-	-	-
Balance as at March 31, 2024	500,000	-	(3,953,205)	(3,453,205)

The annexed notes from 1 to 25 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chairman


Director


Director

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the Three months period ended March 31, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

Alpha Insurance Company Limited (the Operator) has been authorized to undertake Window Takaful Operations (WTO) on November 21, 2022 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. The registered office of the Company is situated at 4th Floor, Building # 1-B, State Life Square, I. I. Chundrigar Road, Karachi.

For the purpose of carrying on the Takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF) on January 11, 2023 under the Waqf Deed with a Seed money of Rs. 500,000. The Waqf Deed and PTF Policies (Waqf Rules) govern the relationship of Operator, Waqf and Participants for management of Takaful operations, investment of Waqf and Operator's Fund as approved by the Shariah Advisor of the Operator. The accounts of the Waqf are maintained by the Operator in a manner that the assets and liabilities of Waqf remain separately identifiable. The financial statements of the Operator are prepared in such a manner that the financial position and results from the operations of Waqf and the Operator are shown separately.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting' as applicable in Pakistan, provision of and directives issued under the Companies Act 2017, insurance Ordinance 2000, Insurance Rules 2017, Takaful Rules 2012. In case requirements differ, the provisions or directives of the Companies Act 2017, Insurance Ordinance 2000, Insurance Rules 2017 and Takaful Rules 2012 have been followed.

These condensed interim financial statements reflect the financial position and results of operations of both the Operator's Fund (OPF) and Participants' Takaful Fund (PTF) in a manner that the assets, liabilities, income and expenses of the Operator and PTF remain separately identifiable.

This condensed interim financial statements does not include all the information and disclosures required in the annual financial statements. The condensed interim financial statements is first time prepared and all the information and disclosures will be provided in the annual financial statements for the year ended December 31, 2023.

3. BASIS OF MEASUREMENT

These condensed interim financial statements has been prepared under the historical cost convention except for certain financial assets and liabilities which are stated at fair value or amortised cost as applicable. These condensed interim financial statements has been prepared using the accrual basis of accounting.

4. FUNCTIONAL AND PRESENTATION CURRENCY

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These condensed interim financial statements is presented in Pakistani rupees, which is the Company's functional and presentation currency.

5. ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial statements are in conformity with approved accounting standards which requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting polices. The estimates / judgments and associated assumptions used in the preparation of the financial statements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

6. FINANCIAL AND TAKAFUL RISK MANAGEMENT

The financial risk management objectives and policies are the first time adopted by the Company.

7. INVESTMENTS IN ISLAMIC SUKUK BONDS - Held to maturity

Note	March 31, 2024 (Un-audited)			December 31, 2023 (Audited)		
	Cost	Impairment / provision (Rupees)	Carrying value	Cost	Impairment / provision (Rupees)	Carrying value
Government securities						
- Sukuk Bond	25,000,000	-	25,000,000	25,000,000	-	25,000,000
	25,000,000	-	25,000,000	25,000,000	-	25,000,000

Operator's Fund		Participant's Takaful Fund	
March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
----- (Rupees) -----			

8. OTHER RECEIVABLES

Accrued Markup	2,578,265	1,095,865	-	-
	2,578,265	1,095,865	-	-

9. RECEIVABLE FROM OPF / PTF

Wakala fee receivable/payable	11,642,988	8,625,121	11,642,988	8,625,121
Mudarib fee receivable/payable	191,315	116,504	191,315	116,504
Inter fund receivable	(7,075,970)	1,968,202	(7,075,970)	1,968,202
	4,758,333	10,709,827	4,758,333	10,709,827

10. TAKAFUL / RETAKAFUL RECEIVABLES -
Unsecured and considered good

Contribution due but unpaid	-	-	4,463,930	4,608,601
Less: Provision for doubtful receivables takaful participants' holders	-	-	-	-
	-	-	4,463,930	4,608,601
Amounts due from other takaful / retakaful operators	-	-	3,767,048	4,819,735
	-	-	8,230,978	9,428,336

11. PREPAYMENTS

Prepaid retakaful contribution ceded	-	-	12,461,351	10,630,110
	-	-	12,461,351	10,630,110

12. CASH AND BANK

Cash and cash equivalent				
Policy, revenue stamps and bond papers				
Cash at bank				
Profit and loss sharing account	33,271,555	25,545,371	9,217,421	9,533,696
	33,271,555	25,545,371	9,217,421	9,533,696

The rate of return on profit and loss sharing accounts held with Islamic banks during the period range from 17.00% to 20.15% per annum.

13. OTHER CREDITORS AND ACCRUALS

Payable to Alpha Insurance Company Limited	3,166,670	3,166,670	2,653,293	2,653,293
Sales tax on takaful	-	-	804,738	-
Federal takaful fee	-	-	290,561	219,971
Withholding Tax Payable	771,344	566,956	-	-
Commission payable	4,281,700	2,664,154	-	-
Accrued expenses	662,500	509,600	3,430,423	1,974,306
	8,882,214	6,907,380	7,179,015	4,847,570

Three Months ended March 31,

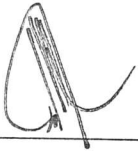
	2024	2023
	----- Rupees -----	
14. NET CONTRIBUTION		
Written gross contribution	8,622,477	-
Add: Unearned contribution reserve opening	15,584,797	-
Less: Unearned contribution reserve closing	(18,386,841)	-
Contribution earned	<u>5,820,433</u>	-
Retakaful contribution ceded	5,238,547	-
Add: Prepaid retakaful contribution opening	10,630,110	-
Less: Prepaid retakaful contribution closing	(12,461,351)	-
Retakaful expense	<u>3,407,306</u>	-
Net contribution	<u>2,413,128</u>	-
15. RE-TAKAFUL REBATE EARNED		
Retakaful rebate received or recoverable	126,449	-
Add: Unearned retakaful rebate opening	372,110	-
Less: Unearned retakaful rebate closing	(381,659)	-
	<u>116,900</u>	-
16. TAKAFUL BENEFITS / CLAIMS EXPENSE		
Benefits / Claims paid or payable	491,712	-
Less: Outstanding Benefits / claims including IBNR opening	490,482	-
Add: Outstanding Benefits / claims including IBNR closing	(2,073,021)	-
Benefits / Claims expense	<u>2,074,251</u>	-
Less: Retakaful and other recoveries received	-	-
Less: Retakaful recoveries against outstanding claims - opening	-	-
Add: Retakaful recoveries against outstanding claims - closing	-	-
Retakaful and other recoveries revenue	-	-
Net Takaful Benefits / Claim Expense	<u>2,074,251</u>	-
17. WAKALA FEE - PTF/OPF		
Gross wakala fee	3,017,867	-
Add: Deferred wakala opening	5,406,246	-
Less: Deferred wakala closing	(6,386,961)	-
Net wakala fee	<u>2,037,152</u>	-
18. COMMISSION EXPENSE - OPF		
Commission paid or payable	1,503,246	-
Add: Deferred commission opening	2,823,772	-
Less: Deferred commission closing	(3,280,268)	-
Commission expense	<u>1,046,750</u>	-
19. GENERAL, ADMINISTRATIVE AND MANAGEMENT EXPENSES - OPF		
Employee benefit cost	180,000	510,756
Legal and professional charges	412,500	-
Professional Charges - IT Related	420,000	-
	<u>1,012,500</u>	510,756
20. INVESTMENT INCOME - OPF		
Islamic securities - Meezan Bank Sukuk	1,482,400	-
	<u>1,482,400</u>	-
21. OTHER INCOME - OPF		
Profit on bank deposits	1,018,839	976,262
	<u>1,018,839</u>	976,262
22. OTHER INCOME - PTF		
Profit on bank deposits	249,370	-
	<u>249,370</u>	-
23. OTHER EXPENSE - OPF		
Auditors' remuneration	87,500	-
Shairah Audit Fee	37,500	-
Out of Pocket Expense	37,500	-
	<u>162,500</u>	-

24. DATE OF AUTHORIZATION FOR ISSUE

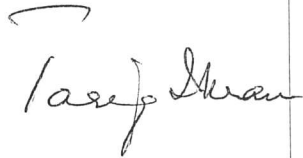
These condensed interim financial statements were authorized for issue on 07-06-2024 by the Board of Directors of the Company.

25. GENERAL

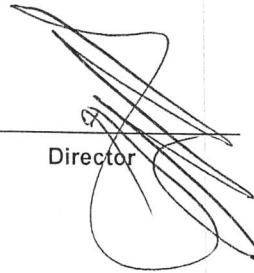
Figures have been rounded off to the nearest rupee.




Chief Executive Officer



Chairman



Director



Director