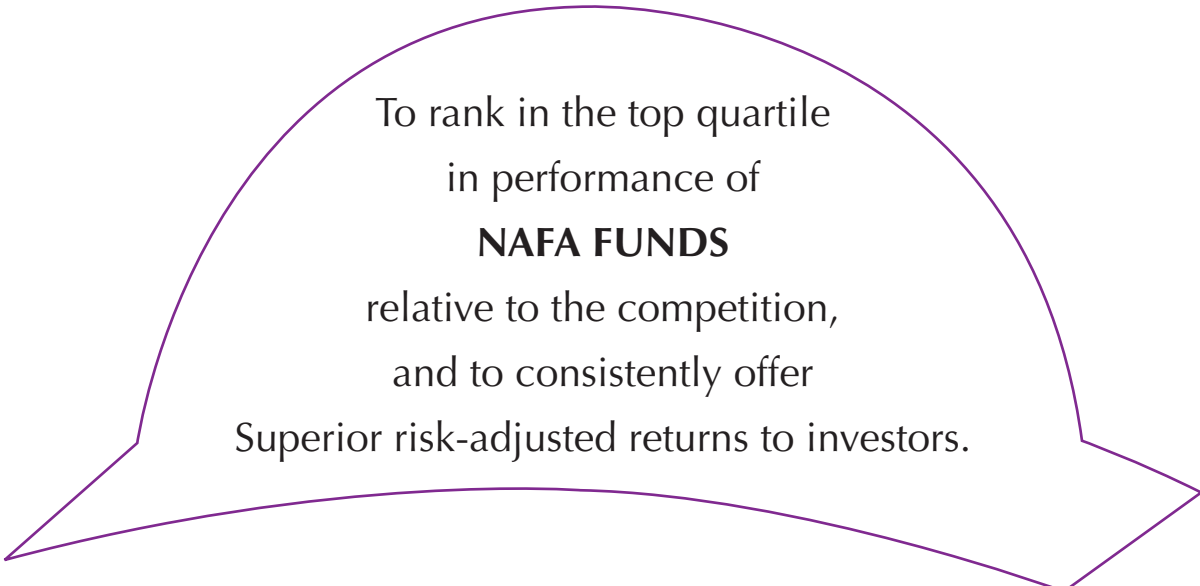


MISSION STATEMENT



To rank in the top quartile
in performance of
NAFA FUNDS
relative to the competition,
and to consistently offer
Superior risk-adjusted returns to investors.

NAFA SAVINGS PLUS FUND

FUND'S INFORMATION

Management Company

NBP Fullerton Asset Management Limited – Management Company

Board of Directors of the Management Company

Mr. Shahid Anwar Khan	Chairman
Syed Ahmed Iqbal Ashraf	Director
Mr. Wah Geok Sum	Director
Mr. Patrick Pang Chin Hwang	Director
Mr. Shehryar Faruque	Director
Mr. Kamal Amir Chinoy	Director
Dr. Asif A. Brohi	Director
Dr. Amjad Waheed	Chief Executive Officer

Company Secretary & CFO of the Management Company

Mr. Muhammad Murtaza Ali

Audit & Risk Committee

Mr. Patrick Pang Chin Hwang	Chairman
Mr. Shehryar Faruque	Member
Syed Ahmed Iqbal Ashraf	Member

Trustee

Central Depository Company of Pakistan Limited (CDC)
CDC House, 99-B, Block "B" S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi.

Bankers to the Fund

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Samba Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
JS Bank Limited
United Bank Limited
NIB Bank Limited
The Bank of Punjab
KASB Bank Limited
Standard Chartered Bank (PAK) Limited
Arif Habib Bank Limited
Soneri Bank Limited
Royal Bank of Scotland Limited
National Bank of Pakistan
Habib Bank Limited

NAFA SAVINGS PLUS FUND

Auditors

A.F. Ferguson & Co. Chartered Accountants
State Life Building No. 1-C
I.I. Chundrigar Road,
P.O.Box 4716
Karachi.

Legal Advisor

M/s Jooma Law Associates
205, E.I. Lines, Dr. Daudpota Road,
Karachi.

Head Office:

9th Floor, Adamjee House,
I.I. Chundrigar Road,
Karachi

Lahore Office:

House # 10 - A, Block -S, Gulberg - II, Lahore.
UAN: (+92-42) 111-111-NFA (632)
Fax No: (+92-42) 35760373

Islamabad Office:

Plot No. 395, 396
Industrial Area, 1-9/3 Islamabad.
UAN: 051-111-111-632
Phone: 051-2514987
Fax: 051-4859031

Peshawar Office:

1st Floor, Haji Tehmas Centre,
Near KFC, Tehkal Payan
University Road, Peshawar.
Phone: 92-91-5711784, 5711782
Fax: 92-91-5211780

Multan Office:

NBP Corporate Branch
3rd Floor, Park Lane Tower, Near Shahjahan Banquet Hall,
Officers Colony, Khanewal Road. Multan.
Tel : 92-061-6214070
Fax: 92-061-6214062
UAN: 92-061-111-111-632

NAFA SAVINGS PLUS FUND

Contents

DIRECTORS' REPORT	05
TRUSTEE REPORT TO THE UNIT HOLDERS	08
STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE	09
FUND MANAGER REPORT	12
REVIEW REPORT TO THE UNIT HOLDERS ON THE STATEMENT OF THE COMPLIANCE WITH THE BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE	15
INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS	16
STATEMENT OF ASSETS AND LIABILITIES	17
INCOME STATEMENT	18
STATEMENT OF COMPREHENSIVE INCOME	19
DISTRIBUTION STATEMENT	20
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	21
CASH FLOW STATEMENT	22
NOTES TO THE FINANCIAL STATEMENTS	23
PERFORMANCE TABLE	41

NAFA SAVINGS PLUS FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the Second Annual Report of **NAFA Savings Plus Fund** for the year ended June 30, 2011.

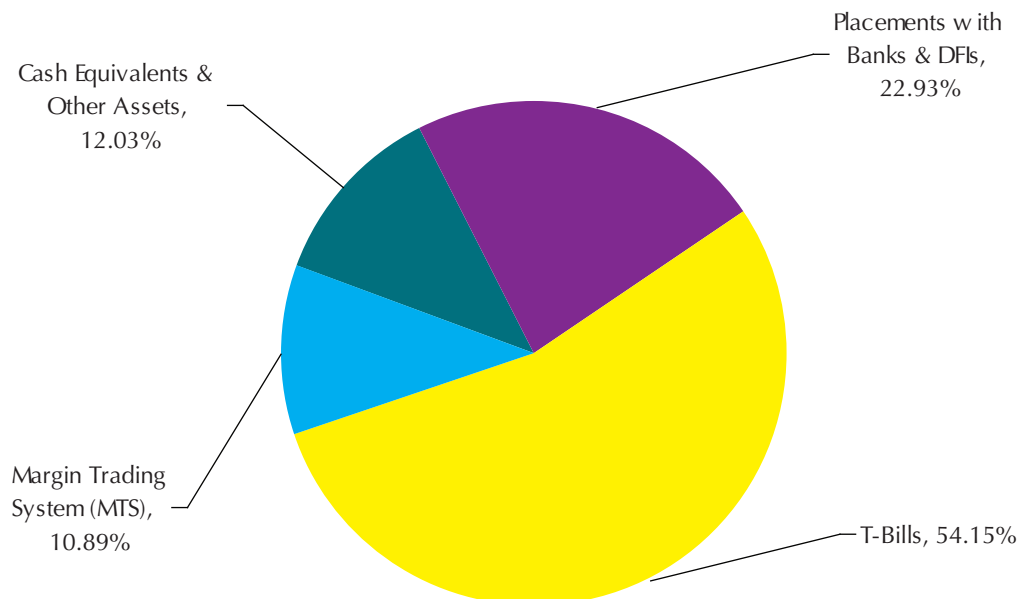
Fund's Performance

The size of NAFA Savings Plus Fund has reduced from Rs. 586 million to Rs. 545 million during the period, i.e. a decline of 7.0%. During the said period, the unit price of the Fund has increased from Rs. 9.0634 (distribution adjusted) on June 30, 2010 to Rs. 10.0280 (Ex-Div) on June 30, 2011, thus showing an annualized return of 10.64% as compared to its Benchmark (Average 6-Month Deposit Rate of A and above rated banks) annualized return of 8.42% for the same period.

NSPF is one of the highest rated "AA-(f)" income funds in the market. It cannot invest in any avenue which has more than six months maturity, nor can it invest in the TFCs / Sukuks and Equities. Moreover, it cannot invest in money market instruments below a credit rating of 'AA-'. The investment value of the Fund has not declined on any day since its launch in November 2009.

The Fund has earned a total income of Rs.75.82 million during the year. After deducting total expenses of Rs.15.55 million, the net income is Rs.60.27 million.

The asset allocation of NAFA Savings Plus Fund as on June 30, 2011 is as follows:



NAFA SAVINGS PLUS FUND

Income Distribution

In addition to interim distribution of 7.70%, the Board of Directors of the Management Company has also approved a final distribution of 2.75%, translating into total distribution of 10.45% of opening ex-NAV (10.4960% of the par value). After final distribution, the net asset value per unit will be Rs.10.0280 on June 30, 2011.

Taxation

As the above distribution is more than 90% of the income earned during the year, excluding realized and unrealized capital gains on investments, the Fund is not subject to tax under Clause 99 of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

Auditors

The present auditors, Messrs A.F.Ferguson & Co., Chartered Accountants, retire and, being eligible, offer themselves for re-appointment.

Directors' Statement in Compliance with Code of Corporate Governance

1. The financial statements, prepared by the management company, present fairly the state of affairs of the Fund, the result of its operations, cash flows and statement of movement in unit holders' funds.
2. Proper books of account of the Fund have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.
4. International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the Fund's ability to continue as a going concern.
7. There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.
8. A performance table/ key financial data is given in this annual report.
9. Outstanding statutory payments on account of taxes, duties, levies and charges, if any, have been fully disclosed in the financial statements.
10. The Board of Directors of the Management Company held five meetings during the current financial year. The attendance of all directors is disclosed in the note 25 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 24 to these financial statements.
12. All trades in the units of the Fund, carried out by directors, CEO, CFO, Company Secretary and their spouses and minor children are disclosed in note 21 to these financial statements.

NAFA SAVINGS PLUS FUND

Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of
NBP Fullerton Asset Management Limited

Dr. Amjad Waheed, CFA
Chief Executive

Shahid Anwar Khan
Chairman

Date: September 29, 2011
Place: Karachi.

NAFA SAVINGS PLUS FUND

TRUSTEE REPORT TO THE UNIT HOLDERS NAFA SAVINGS PLUS FUND

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

NAFA Savings Plus Fund (the Fund), an open-end fund was established under a trust deed dated October 09, 2009, executed between NBP Fullerton Asset Management Limited, as the Management Company and Central Depository Company of Pakistan Limited, as the Trustee.

In our opinion, the Management Company has in all material respects managed the Fund during the year ended June 30, 2011 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Muhammad Hanif Jakhura
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, October 6, 2011

NAFA SAVINGS PLUS FUND

STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2011

This statement is being presented to comply with the Code of Corporate Governance contained in Regulation No. 35 of Listing Regulations of the Lahore Stock Exchange for the purpose of establishing a framework of good Governance, whereby a listed Company is managed in compliance with the best practice of corporate governance.

NAFA Savings Plus Fund (the Fund) is an open end mutual fund and is listed at the Lahore Stock Exchange. The Fund, being a unit trust scheme, does not have its own Board. The Board of Directors of the Management Company manages the affairs of the Fund and has appointed the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and the Company Secretary of NAFA and other necessary personnel to manage its affairs.

The Management Company has applied the principles contained in the Code in the following manner:

1. The Management Company encourages representation of independent non-executive directors. At present the Board consists of seven non-executive directors including two independent directors. The Management Company is not listed on any stock exchange and therefore does not have minority interest.
2. The directors have confirmed that none of them is serving as a director in more than ten listed companies.
3. All the resident directors of the Management Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. Casual vacancies occurred during the year in the Board of the Management Company due to resignation of Mr. Gerard Lee How Cheng and Mr. Qamar Hussain was filled by Mr. Choy Peng Wah and Syed Iqbal Ashraf on November 15, 2010 and March 25, 2011. The casual vacancy due to resignation of Mr. Choy Peng Wah was filled by Mr. Wah Geok Sum on February 18, 2011. Further, on August 09, 2010, Dr. Asif A. Brohi was appointed as a director.
5. The Management Company has adopted a "Code of Business Ethics and Business Practices", which has been acknowledged by all the directors and distributed to employees of the Management Company.

NAFA SAVINGS PLUS FUND

6. The Board has developed a vision/mission statement overall corporate strategy and significant policies of the Fund. A complete record of the particulars along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter during the year. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meeting were appropriately recorded and circulated.
9. The related party transactions have been placed before the Audit Committee and approved by the Board of Directors with necessary justification for non arm's length transactions if any, and pricing methods for transactions that were made on terms equivalent to those that prevail in the arm's length transactions only if such terms can be substantiated.
10. All the members of Board are well aware of operations of the Fund and Management Company, therefore no orientation courses were arranged during the year.
11. The Board has approved the appointment of Head of Internal Audit and his terms of employment, in FY 2007-2008.
12. Directors' Report has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
13. The financial statements of the Fund were duly endorsed by CEO and CFO before approval of the Board.
14. The Directors, CEO and Executives do not hold units of the Fund other than those disclosed in note 21 to the financial statements "Transactions with Connected Persons".
15. The Management Company has complied with the corporate and financial reporting requirements of the Code with respect to the Fund.
16. The Board has formed an Audit Committee. It comprises three members, all of whom are non-executive directors including the chairman of the Committee.
17. The meetings of the Audit Committee were held at least once every quarter prior to approval of the interim and final results of the Fund as required by the Code. Terms of Reference of the Audit Committee have been prepared and advised to the Committee for compliance.

NAFA SAVINGS PLUS FUND

18. There exists an effective internal audit function within the Management Company. The Management Company has appointed the Head of Internal Audit, who is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Fund.
19. The Statutory Auditors of the Fund have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouse and minor children do not hold units of the Fund and that the firm and all its partners are in compliance with the International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by the Institute of Chartered Accountants of Pakistan.
20. The Statutory Auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Listing Regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. We confirm that all other material principles contained in the Code have been complied with.

Dated: September 29, 2011
Karachi

Dr. Amjad Waheed, CFA
Chief Executive Officer

NAFA SAVINGS PLUS FUND

FUND MANAGER REPORT

NAFA Savings Plus Fund

NAFA Savings Plus (NSPF) is an open-end Income Scheme.

Investment Objective of the Fund

The objective of NAFA Savings Plus Fund is to minimize risk, preserve capital and generate a reasonable return along with a high degree of liquidity from a portfolio primarily constituted of bank deposits and money market instruments.

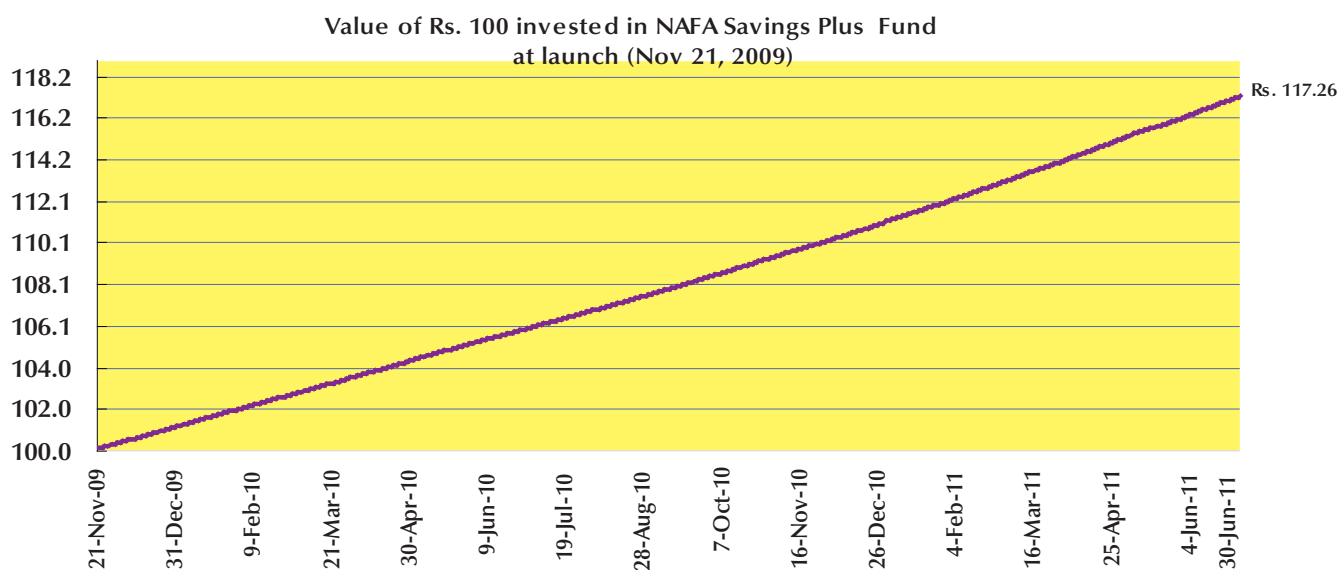
Benchmark

Average 6-Month deposit rates (A and above rated banks)

Fund's Performance Review

This is the second Annual report since the launch of the Fund on November 21, 2009. The Fund size as on June 30, 2011 is Rs. 545 million during the period, i.e. a decline of 7.00%.. The Fund has experienced an annualized return of 10.42% since inception. During the same period the benchmark annualized return has been 8.27%. Hence, an outperformance by 2.15%. The Fund's annual return during FY 2010-11 is 10.64%. During the same period the benchmark return has been 8.42%.

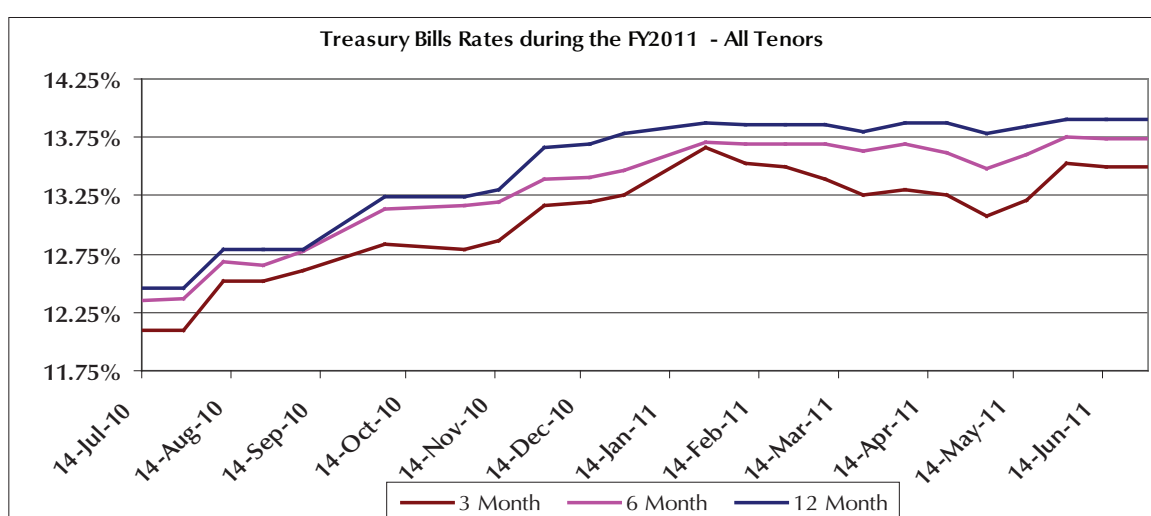
Being 'AA-(f)' rated, NSPF is one of the highest rated income fund in the market, with many features similar to those of money market funds. For instance, it cannot invest in any avenue which has more than six months to maturity, it cannot invest in TFCs/ Sukuks, and it can not invest in money market instruments below a credit rating of 'AA'. The investment value has not declined on any day since Fund's launch in November, 2009.



NAFA SAVINGS PLUS FUND

The salient feature this year was the launch of Margin Trading System. NAFA's internal guidelines permit financing in only fundamentally strong companies with lower volatility. It is pertinent to mention that in this asset class the Fund provides financing at only pre-determined rate of return with no direct exposure to the stock market. Going forward, with increase in volume of MTS, the investment amount in this asset class will be enhanced, which will further improve the performance of the Fund. Going forward the return of your Fund is expected to remain attractive. The fund has achieved its stated objectives.

T-Bills remain the largest asset class of the Fund. T-Bill rates changed during the year as shown in the following chart:



The asset allocation of NSPF is fairly diversified and as on June 30, 2011 is as follows along with its credit quality:

Asset Allocation (% of NAV)	30-Jun-11	30-Jun-10
T-Bills	54.15%	32.26%
Placements with Banks	13.76%	34.12%
Placements with NBFCs	9.17%	27.13%
Margin Trading System (MTS)	10.89%	-
Cash Equivalents	10.64%	7.88%
Other Assets / (Liabilities)	1.39%	-1.39%
Total	100.00%	100.00%

Rating	% Allocation
AAA	54.32%
AA+	0.53%
AA	22.53%
AA-	10.23%
A	0.11%
Accruals, deferred costs & unrealized sales / (Payables)	1.39%
MTS (Un - Rated)	10.89%

NAFA SAVINGS PLUS FUND

Period	Dividend as a % of Par Value (Rs. 10)	Cumulative Dividend Price per unit (Rs)	Ex-dividend Price per unit (Rs)
July 1 - Sep 30, 10	2.5110%	10.3254	10.0743
Oct 1 – Dec 31, 10	2.5110%	10.4223	10.1712
Jan 1 – Mar 31, 11	2.712%	10.3551	10.0839
Apr 1- Jun 30, 11	2.7620%	10.3042	10.028

Subsequent to year-end, the Management has adopted the policy of monthly declaration of dividends.

During the period there has been no significant change in the state of affairs of the Fund, other than stated above. NAFA Savings Plus Fund does not have any soft commission arrangement with any broker in the industry.

Following is the unit holder pattern of NAFA Savings Plus Fund by the size of unit holdings as of June 30, 2011.

Size of Unit Holding (Units)	# of Unit Holders
1 - 1000	64
1001 - 5000	147
5001 - 10000	64
10001 - 50000	139
50001 -100000	27
100001 - 500000	41
500001 - 1000000	6
1000001 - 5000000	10
5000001 - 10000000	0
10000001 - 100000000	1
	499

NAFA SAVINGS PLUS FUND

REVIEW REPORT TO THE UNIT HOLDERS ON THE STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of **NBP Fullerton Asset Management Limited** (the Management Company) for and on behalf of **NAFA Savings Plus Fund** (the Fund) to comply with the Listing Regulation No. 35 (Chapter XI) of the Lahore Stock Exchange (Guarantee) Limited where the Fund is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Management Company of the Fund. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Fund's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the Code.

As part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Sub-regulation (xiii a) of the Listing Regulation No. 35 requires the Management Company to place before the Board of Directors for their consideration and approval related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the Audit Committee. We are only required and have ensured compliance of the requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length prices or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Fund for the year ended June 30, 2011.

A.F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: October 03, 2011

NAFA SAVINGS PLUS FUND

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

We have audited the accompanying financial statements of NAFA Savings Plus Fund, which comprise the statement of assets and liabilities as at June 30, 2011, and the related income statement, statement of comprehensive income, distribution statement, statement of movement in unit holders' fund and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management Company's responsibility for the financial statements

The Management Company of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with approved accounting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as at June 30, 2011, and of its financial performance, cash flows and transactions for the year then ended in accordance with approved accounting standards as applicable in Pakistan.

Other matters

In our opinion, the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Rashid A. Jafer**
Dated: October 03, 2011
Karachi

NAFA SAVINGS PLUS FUND

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2011

	Note	2011 ------(Rupees in '000)-----	2010
ASSETS			
Balances with banks	4	132,970	232,320
Investments	5	295,223	189,079
Loans and receivables	6	50,000	159,000
Receivable against Margin Trading System	7	59,363	-
Profit receivable	8	2,564	9,450
Deposits, prepayments and other receivables		9,437	1,389
Preliminary expenses and floatation costs	9	1,775	2,295
Total assets		551,332	593,533
LIABILITIES			
Payable to the Management Company	10	880	3,829
Payable to the Trustee	11	76	98
Payable to the Securities and Exchange Commission of Pakistan	12	460	263
Payable against redemption of units		2,233	1,959
Accrued expenses and other liabilities	13	2,452	1,287
Total liabilities		6,101	7,436
NET ASSETS		545,231	586,097
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		545,231	586,097
CONTINGENCIES AND COMMITMENTS	14		
		------(Number of units)-----	
Number of units in issue		52,913,633	56,661,450
NET ASSET VALUE PER UNIT		10.3042	10.3438

The annexed notes 1 to 32 form an integral part of these financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive Officer

Director

NAFA SAVINGS PLUS FUND

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2011

	Note	For the year ended June 30, 2011	For the period from October 24, 2009 to June 30, 2010
----- (Rupees in '000) -----			
INCOME			
Income from government securities		32,859	8,757
Income from term deposit receipts		22,770	14,727
Profit on bank deposits		4,992	8,359
Income from money market placements		10,817	10,683
Income from commercial papers		4,501	-
Income from Margin Trading System		1,691	-
Net loss on sale of investments		(122)	(5)
Net unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss	5.2	(185)	(89)
Total income		77,323	42,432
EXPENSES			
Remuneration of the Management Company		10,834	6,089
Remuneration of the Trustee		1,138	700
Annual fee - Securities and Exchange Commission of Pakistan		460	263
Amortisation of preliminary expenses and floatation costs	9	520	316
Securities transaction cost		133	91
Bank charges		285	225
Settlement charges		149	-
Annual listing fee		40	20
Rating fee		200	121
NCCPL Fee		78	-
Auditors' remuneration	16	357	283
Printing charges		-	325
Legal and professional charges		120	-
Total expenses		14,314	8,433
Net income from operating activities		63,009	33,999
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed		(1,508)	1,048
Provision for Workers' Welfare Fund	17	(1,230)	(701)
Net income for the year / period before taxation		60,271	34,346
Taxation	18	-	-
Net income for the year / period after taxation		60,271	34,346
Earnings per unit	19		

The annexed notes 1 to 32 form an integral part of these financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive Officer

Director

NAFA SAVINGS PLUS FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2011

	For the year ended June 30, 2011	For the period from October 24, 2009 to June 30, 2010
	----- (Rupees in '000) -----	
Net income for the year / period after taxation	60,271	34,346
Other comprehensive income for the year / period	-	-
Total comprehensive income for the year / period	<u>60,271</u>	<u>34,346</u>

The annexed notes 1 to 32 form an integral part of these financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive Officer

Director

NAFA SAVINGS PLUS FUND

DISTRIBUTION STATEMENT FOR THE YEAR ENDED JUNE 30, 2011

	For the year ended June 30, 2011	For the period from October 24, 2009 to June 30, 2010
	----- (Rupees in '000) -----	
Undistributed income brought forward comprising:		
- Realised income	19,323	-
- Unrealised loss	(89)	-
	<u>19,234</u>	-
Final distribution for the period ended June 30, 2010: 3.00% (2009: Nil) (Date of distribution: July 5, 2010)		
- Cash distribution	(1,352)	-
- Bonus units	(15,562)	-
Net income for the year / period	60,271	34,346
Interim distribution for the quarter ended September 30, 2010: 2.511% (2009: Nil) (Date of distribution: October 18, 2010)		
- Cash distribution	(1,139)	-
- Bonus units	(15,795)	-
Interim distribution for the quarter ended December 31, 2010: 2.511% (2009: Nil) (Date of distribution: February 18, 2011)		
- Cash distribution	(1,137)	-
- Bonus units	(13,436)	-
Interim distribution for the quarter ended March 31, 2011: 2.712% (2010: 2.50%) (Date of distribution: April 19, 2011)		
- Cash distribution	(1,222)	(1,126)
- Bonus units	(14,125)	(13,986)
Element of loss and capital losses included in prices of units issued less those in units redeemed - amount representing loss that forms part of the unit holders' fund	(420)	-
Undistributed income carried forward	<u><u>15,317</u></u>	<u><u>19,234</u></u>
Undistributed income carried forward comprising:		
- Realised income	15,502	19,323
- Unrealised loss	(185)	(89)
	<u><u>15,317</u></u>	<u><u>19,234</u></u>

The annexed notes 1 to 32 form an integral part of these financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive Officer

Director

NAFA SAVINGS PLUS FUND

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE YEAR ENDED JUNE 30, 2011

	For the year ended June 30, 2011	For the period from October 24, 2009 to June 30, 2010
	----- (Rupees in '000) -----	
Net assets at the beginning of the year / period	586,097	-
Issue of 78,870,578 units (2010: 127,604,571 units) including 5,839,010 bonus units (2010: 1,373,627 units)	746,963	1,279,412
Redemption of 82,618,395 units (2010: 70,943,121 units)	(844,758) (97,795)	(725,487) 553,925
Final distribution (bonus) for the period ended June 30, 2010: 3.00% (2009: Nil)	15,562	-
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed		
- amount representing losses / (income) and capital losses / (gains) transferred to Income Statement	1,508	(1,048)
- amount representing losses and capital losses transferred to Distribution Statement	420 1,928	- (1,048)
Net unrealised diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	(185)	(89)
Net loss on sale of investments	(122)	(5)
Other income (net of expenses) for the year / period	60,578 60,271	34,440 34,346
Less: Distributions made during the year / period		
Final distribution for the year ended June 30, 2010: 3.00% (2009: Nil) (Date of distribution: July 5, 2010)		
- Cash distribution	(1,352)	-
- Bonus units	(15,562)	-
Interim distribution for the quarter ended September 30, 2010: 2.511% (2009: Nil) (Date of distribution: October 18, 2010)		
- Cash distribution	(1,139)	-
- Bonus units	(15,795)	-
Interim distribution for the quarter ended December 31, 2010: 2.511% (2009: Nil) (Date of distribution: February 18, 2011)		
- Cash distribution	(1,137)	-
- Bonus units	(13,436)	-
Interim distribution for the quarter ended March 31, 2011: 2.712% (2010: 2.50%) (Date of distribution: April 19, 2011)		
- Cash distribution	(1,222)	(1,126)
- Bonus units	(14,125) (63,768)	(13,986) (15,112)
Interim distributions: Issue of bonus units	43,356	13,986
Element of loss and capital losses included in prices of units issued less those in units redeemed		
- amount representing losses that form part of the unit holders' fund	(420)	-
Net Assets at the end of the year / period	<u>545,231</u>	<u>586,097</u>

The annexed notes 1 to 32 form an integral part of these financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive Officer

Director

NAFA SAVINGS PLUS FUND

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2011

Note	For the year ended June 30, 2011	For the period from October 24, 2009 to June 30, 2010
	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the year / period before taxation	60,271	34,346
Adjustments:		
Amortisation of preliminary expenses and floatation costs	520	316
Net unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss	185	89
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed - amount transferred to Income Statement	1,508	(1,048)
	<u>62,484</u>	<u>33,703</u>
(Increase) / decrease in assets		
Investments - net	(106,329)	(189,168)
Loans and receivables	109,000	(159,000)
Receivable against Margin Trading System	(59,363)	-
Profit receivable	6,886	(9,450)
Deposits, prepayments and other receivables	(8,048)	(428)
	<u>(57,854)</u>	<u>(358,046)</u>
Increase / (decrease) in liabilities		
Payable to the Management Company	(2,949)	257
Payable to the Trustee	(22)	98
Payable to the Securities and Exchange Commission of Pakistan	197	263
Accrued expenses and other liabilities	1,165	1,287
	<u>(1,609)</u>	<u>1,905</u>
Net cash inflow from / (outflow on) operating activities	<u>3,021</u>	<u>(322,438)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Receipts from issue of units	746,963	1,279,412
Payments on redemption of units	(844,484)	(723,528)
Distributions paid	(4,850)	(1,126)
Net cash (used in) / inflow from financing activities	<u>(102,371)</u>	<u>554,758</u>
Net (decrease) / increase in cash and cash equivalents during the year / period	<u>(99,350)</u>	<u>232,320</u>
Cash and cash equivalents at the beginning of the year / period	232,320	-
Cash and cash equivalents at the end of the year / period	<u>4</u> <u>132,970</u>	<u>232,320</u>

The annexed notes 1 to 32 form an integral part of these financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive Officer

Director

NAFA SAVINGS PLUS FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Savings Plus Fund (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited (NAFA) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on October 09, 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by SECP. The registered office of the Management Company is situated at 9th Floor, Adamjee House, I.I. Chundrigar Road, Karachi. The Management Company is a member of Mutual Funds Association of Pakistan (MUFAP).

The Fund is an open-ended mutual fund, categorised as an income scheme by the Management Company and is listed on the Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The objective of the Fund is to provide an open-end income scheme, seeking to minimize risk, preserve capital and generate a reasonable return along with a high degree of liquidity from a portfolio primarily constituted of bank deposits and money market instruments.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM2- (Positive outlook) to the Management Company. Based on the performance of the Fund for the year ended June 30, 2010, the Fund has been assigned a stability rating of 'AA-(f)'.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

2.2 Standards, interpretations and amendments to published approved accounting standards that are effective in the current year

There are certain new standards, amendments and International Financial Reporting Interpretations Committee (IFRIC) interpretations that became effective during the year and are mandatory for accounting periods beginning on or after July 1, 2010 but are considered not to be relevant or did not have any significant effect on the Fund's operations and are, therefore, not detailed in these financial statements.

2.3 Standards, interpretations and amendments to published approved accounting standards, as adopted in Pakistan, that are not yet effective

The following revised standard has been published and is mandatory for accounting periods beginning on or after July 1, 2011:

IAS 24 (revised), 'Related party disclosures', issued in November 2009. It supersedes IAS 24, 'Related party disclosures', issued in 2003. The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The Fund will apply the revised standard from July 1, 2011. The Fund is currently in the process of assessing the impact, if any, of the revised standard on the related party disclosures.

There are other amendments to the standards, improvements to International Financial Reporting Standards 2010 and new interpretations that are mandatory for accounting periods beginning on or after July 1, 2011 but are considered not to be relevant or do not have any significant effect on the Fund's operations and are therefore not detailed in these financial statements.

NAFA SAVINGS PLUS FUND

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Fund's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The area where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in application of accounting policies principally relates to classification and valuation of investments (note 3.2 and 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for certain investments which are carried at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

3.1 Cash and cash equivalents

Cash and cash equivalents include bank balances, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less which are subject to insignificant changes in value.

3.2 Financial assets

3.2.1 Classification

The Fund classifies its financial assets into the following categories: 'loans and receivables', 'at fair value through profit or loss' and 'available for sale'. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification on a regular basis.

a) Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

b) Financial assets at fair value through profit or loss

Financial assets that are acquired principally for the purpose of generating profit from short-term fluctuations in market prices, interest rate movements or are financial assets included in a portfolio in which a pattern of short term profit making exists.

c) Available for sale

Available for sale financial assets are those non-derivative financial assets that are designated as available for sale and are not classified as (a) financial assets at fair value through profit or loss or (b) loans and receivables. These are investments which are held for an indefinite period of time and may be sold in response to needs for liquidity or changes in prices.

3.2.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

3.2.3 Initial recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

NAFA SAVINGS PLUS FUND

3.2.4 Subsequent measurement

Subsequent to initial recognition, government securities designated by the management as 'financial asset at fair value through profit or loss' and 'available for sale' are valued on the basis of rates announced by the Financial Market Association of Pakistan.

Net gains and losses arising on changes in the fair value of financial assets carried at 'fair value through profit or loss' are taken to Income Statement.

Net gains and losses arising from changes in fair value of available for sale financial assets are taken to 'statement of comprehensive income' until these are derecognised or impaired. At this time the cumulative gain or loss previously recognised directly in the 'Statement of Comprehensive Income' is transferred to 'Income Statement'.

Subsequent to initial recognition, financial assets classified as 'loans and receivables' are carried at amortised cost using the effective interest method.

3.2.5 Impairment

The Fund assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists for 'available for sale' financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the Income Statement is reclassified from 'Unit Holders' Fund' to the 'Income Statement'.

For financial assets classified as 'loans and receivable', a provision for impairment is established when there is objective evidence that the Fund will not be able to collect all amounts due according to original terms. The amount of the provision is the difference between the asset's carrying value and present value of estimated future cash outflows, discounted at the original effective interest rate.

3.2.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

3.2.7 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

3.3 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement, each derivative instrument is re-measured to its fair value and the resultant gain or loss is recognised in the income statement.

3.4 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. They are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired.

3.5 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are being amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

3.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that date. The offer price represents the Net Asset Value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. Currently, the Fund is not charging any sales load (front-end load).

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours on that day. The redemption price represents the Net Asset Value per unit as of the close of the business day less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable. Currently, the Fund is not charging any back-end load.

3.7 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

An equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption.

NAFA SAVINGS PLUS FUND

The Fund records that portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period which pertains to income / (losses) that form part of the Unit Holders' Funds in a separate reserve account and any amount remaining in this reserve account at the end of an accounting period (whether gain or loss) is included in the amount available for distribution to the unit holders. The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period is recognised in the Income Statement.

3.8 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.9 Securities under Margin Trading System (MTS)

Securities purchased under margin financing are included as 'Receivable against Margin Trading System (MTS)' at the fair value of consideration given. All MTS transactions are accounted for on the settlement date. Income on MTS is calculated on outstanding balance at agreed rates and recorded in the Income Statement. Transaction costs are expensed in the Income Statement.

3.10 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts used for financial reporting purposes and amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilised tax losses to the extent that it is probable that the related tax benefit will be realised. However, the Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to avail the tax exemption under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year.

3.11 Proposed distributions

Distributions declared subsequent to the reporting date are considered as non-adjusting events and are recognised in the financial statements in the period in which such distributions are declared.

3.12 Revenue recognition

- Income from government securities is recognised on an accrual basis.
- Profit on bank deposits is recognised on an accrual basis.
- Income from term deposit receipts, commercial papers and money market placements is recognised on an accrual basis.
- Income from Margin Trading System is recognised on an accrual basis.
- Capital gains / (losses) arising on sale of investments are included in the Income Statement on the date at which the transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the Income Statement in the period in which they arise.

4	BALANCES WITH BANKS	Note	2011	2010
			-----Rupees in '000-----	
	Current accounts		451	581
	Savings accounts		57,519	31,739
	Term deposit receipts		75,000	200,000
			<u>132,970</u>	<u>232,320</u>
5	INVESTMENTS			
	At fair value through profit or loss - held for trading			
	Government securities - Market Treasury Bills	5.1	<u>295,223</u>	<u>189,079</u>
			<u>295,223</u>	<u>189,079</u>

NAFA SAVINGS PLUS FUND

5.1 Investment in government securities - 'At fair value through profit or loss'

Issue date	Tenor	Face value				Market Value	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2010	Purchased during the year	Disposed / matured during the year	As at June 30, 2011			

-----Rupees in '000-----

Market Treasury Bills								
03-Jun-10	3 months	40,000	-	40,000	-	-	-	-
03-Jun-10	3 months	50,000	-	50,000	-	-	-	-
17-Jun-10	3 months	45,000	-	45,000	-	-	-	-
17-Jun-10	6 months	60,000	-	60,000	-	-	-	-
13-Aug-09	12 months	-	40,000	40,000	-	-	-	-
26-Sep-09	12 months	-	220,000	220,000	-	-	-	-
13-Aug-10	3 months	-	425,000	425,000	-	-	-	-
8-Oct-09	12 months	-	80,000	80,000	-	-	-	-
17-Jun-10	6 months	-	10,000	10,000	-	-	-	-
7-Oct-10	3 months	-	150,000	150,000	-	-	-	-
21-Oct-10	3 months	-	75,000	75,000	-	-	-	-
4-Nov-10	3 months	-	100,000	100,000	-	-	-	-
18-Dec-10	3 months	-	50,000	50,000	-	-	-	-
2-Dec-10	3 months	-	50,000	50,000	-	-	-	-
21-Oct-10	3 months	-	20,000	20,000	-	-	-	-
13-Jan-11	3 months	-	190,000	190,000	-	-	-	-
3-Aug-10	6 months	-	150,000	150,000	-	-	-	-
10-Feb-11	3 months	-	135,000	135,000	-	-	-	-
27-Jan-11	3 months	-	90,000	90,000	-	-	-	-
24-Feb-11	3 months	-	25,000	25,000	-	-	-	-
8-Apr-10	12 months	-	100,000	100,000	-	-	-	-
7-Apr-11	3 months	-	225,830	225,830	-	-	-	-
24-Mar-11	3 months	-	15,770	15,770	-	-	-	-
3-Jun-10	12 months	-	50,000	50,000	-	-	-	-
21-Apr-11	3 months	-	190,000	87,800	102,200	101,682	18.65%	34.44%
21-Apr-11	6 months	-	50,540	50,000	540	519	0.10%	0.18%
5-May-11	3 months	-	70,000	70,000	-	-	-	-
5-May-11	6 months	-	125,000	125,000	-	-	-	-
10-Mar-11	3 months	-	70,000	70,000	-	-	-	-
19-May-11	6 months	-	75,000	-	75,000	71,284	13.07%	24.15%
7-Jun-11	12 months	-	50,000	50,000	-	-	-	-
16-Jun-11	3 months	-	100,000	-	100,000	97,489	17.88%	33.02%
30-Jun-11	3 months	-	25,000	-	25,000	24,249	4.45%	8.21%
						<u>295,223</u>		<u>100%</u>
						<u>295,408</u>		

Carrying value before fair value adjustment as at June 30, 2011

5.2 Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'

	2011	2010
	-----Rupees in '000-----	
Market value of investments	295,223	189,079
Less: Carrying value of investments	<u>(295,408)</u>	<u>(189,168)</u>
	<u>(185)</u>	<u>(89)</u>

6 LOANS AND RECEIVABLES

Clean placements	-	35,000
Certificates of investment	<u>50,000</u>	<u>124,000</u>
	<u>50,000</u>	<u>159,000</u>

6.1 Certificate of investment carries interest at a rate of 13.70% (2010: 12.05% - 13.00%) and is due to mature on August 13, 2011.

7 PROFIT RECEIVABLE

Income accrued on savings deposits	321	340
Income accrued on term deposit receipts	816	2,763
Income accrued on certificates of investment	920	6,113
Income accrued on clean placements	-	234
Income accrued on Margin Trading System	<u>507</u>	<u>-</u>
	<u>2,564</u>	<u>9,450</u>

NAFA SAVINGS PLUS FUND

8 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES	Note	2011	2010
-----Rupees in '000-----			
Security deposits with:			
- Central Depository Company of Pakistan Limited		100	-
- National Clearing Company of Pakistan Limited		8,250	-
Prepaid rating fee		79	79
Prepaid NCCPL fee		172	-
Receivable from the Management Company		700	961
Receivable against transfer sales		-	349
Other receivable		136	-
		<u>9,437</u>	<u>1,389</u>

9 PRELIMINARY EXPENSES AND FLOATATION COSTS

Balance as at the beginning of the year / period		2,295	-
Preliminary expenses and floatation costs incurred	9.1	-	2,611
Less: Amortisation during the year / period		<u>520</u>	<u>316</u>
Balance as at the end of the year / period		<u>1,775</u>	<u>2,295</u>

9.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund and are being amortised over a period of five years commencing from November 22, 2009 as per the requirements set out in the Trust Deed of the Fund.

10 PAYABLE TO THE MANAGEMENT COMPANY	Note	2011	2010
-----Rupees in '000-----			
Management fee		562	983
Other payable	10.1	<u>318</u>	<u>2,846</u>
		<u>880</u>	<u>3,829</u>

10.1 Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Management Company of the Fund is entitled to a remuneration during the first five years of the Fund, of an amount not exceeding three percent of the average annual net assets of the Fund and, thereafter, of an amount equal to two percent of such assets of the Fund. The Management Company has charged its remuneration at the rate of 2 percent per annum for the period from July 1, 2010 to February 28, 2011 and, thereafter, at the rate of 1.25 percent per annum of the average annual net assets of the Fund. The remuneration is paid to the Management Company monthly in arrears.

11 PAYABLE TO THE TRUSTEE	Note	2011	2010
-----Rupees in '000-----			
Trustee fee	11.1	<u>76</u>	<u>98</u>

11.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets of the Fund.

Based on the Trust Deed, the tariff structure applicable to the Fund is as follows:

Amount of Funds Under Management Average Net Assets Value (NAV)	Tariff per annum	
	July 1, 2010 to December 31, 2010	January 1, 2011 onwards
Upto Rs 1,000 million	Rs 0.7 million or 0.20% p.a. of NAV, whichever is higher	Rs 0.6 million or 0.17% p.a. of NAV, whichever is higher
Exceeding Rs 1,000 million and upto Rs 5,000 million	Rs 2.0 million plus 0.10% p.a. of NAV exceeding Rs 1,000 million	Rs 1.7 million plus 0.085% p.a. of NAV exceeding Rs 1,000 million
On an amount exceeding Rs 5,000 million	Rs 6.0 million plus 0.1% p.a. of NAV exceeding Rs 5,000 million	Rs 5.1 million plus 0.07% p.a. of NAV exceeding Rs 5,000 million

The remuneration is paid to the Trustee monthly in arrears.

NAFA SAVINGS PLUS FUND

	<i>Note</i>	2011	2010
		-----Rupees in '000-----	
12 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Annual Fee	12.1	<u>460</u>	<u>263</u>
12.1	Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), a collective investment scheme categorised as an income scheme is required to pay as annual fee to the Securities and Exchange of Commission of Pakistan, an amount equal to 0.075 percent of the average annual net assets of the fund. The Fund has been categorised as an Income Scheme by the Management Company.		
13 ACCRUED EXPENSES AND OTHER LIABILITIES	<i>Note</i>	2011	2010
		-----Rupees in '000-----	
Auditors' remuneration		260	235
Brokerage and settlement charges		38	16
Bank charges		39	10
Provision for Workers' Welfare Fund	17	1,931	701
Printing charges		167	325
Others		<u>17</u>	<u>-</u>
		<u>2,452</u>	<u>1,287</u>
14 CONTINGENCIES AND COMMITMENTS			
14.1	There were no contingencies outstanding as at June 30, 2011 and June 30, 2010.		
14.2 Commitments		2011	2010
		-----Rupees in '000-----	
Margin Trading System (MTS) transactions entered into by the Fund in respect of which the purchase transactions have not been settled as at June 30, 2011		11,476	-
15 NET ASSET VALUE PER UNIT			
The Net Asset Value per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year / period end.			
16 AUDITORS' REMUNERATION		For the period ended June 30, 2011	For the period from October 24, 2009 to June 30, 2010
		-----Rupees in '000-----	
Audit fee		324	248
Out of pocket expenses		<u>33</u>	<u>35</u>
		<u>357</u>	<u>283</u>
17 PROVISION FOR WORKERS' WELFARE FUND			
The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication. However, without prejudice to the above, the Management Company made a provision for WWF contribution in the annual financial statements for the year ended June 30, 2010.			

NAFA SAVINGS PLUS FUND

Subsequent to the year ended June 30, 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. This clarification was forwarded by Federal Board of Revenue (FBR) (being the collecting agency of WWF on behalf of the Ministry) to its members for necessary action. Based on this clarification, the FBR also withdrew notice of demand which it had earlier issued to one of the mutual funds for collection of WWF. Notices of demand have also been issued to several other mutual funds and the matter has been taken up by the respective mutual funds with the FBR for their withdrawal on the basis of the above referred clarification of the Ministry.

Subsequent to the year ended June 30, 2011, the Honorable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional. The Management Company is hopeful that the decision of the LHC will lend further support to the Constitutional Petition which is pending in the SHC. However, pending the decision of the said constitutional petition, the Management Company, as a matter of abundant caution, has decided to continue to maintain the provision for WWF amounting to Rs 1.931 million (including Rs 1.230 million for the current year) in these financial statements.

18 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year / period, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. The Fund has not recorded a tax liability in respect of income relating to the current year as the Management company has distributed the required minimum percentage of the Fund's accounting income for the year as reduced by capital gains (whether realised or unrealised) to its unit holders.

19 EARNINGS PER UNIT

Earnings per unit (EPU) for the year ended June 30, 2011 has not been disclosed as, in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

20 FINANCIAL INSTRUMENTS BY CATEGORY

-----As on June 30, 2011-----

	Loans and receivables	Financial assets at fair value through profit or loss	Total
-----Rupees in '000-----			
Assets			
Balances with banks	132,970	-	132,970
Investments	-	295,223	295,223
Loans and receivables	50,000	-	50,000
Receivable against Margin Trading System	59,363	-	59,363
Profit receivable	2,564	-	2,564
Deposits and other receivables	9,186	-	9,186
	<u>254,083</u>	<u>295,223</u>	<u>549,306</u>

-----As on June 30, 2011-----

	At fair value through profit or loss	Other financial liabilities	Total
-----Rupees in '000-----			
Liabilities			
Payable to the Management Company	-	880	880
Payable to the Trustee	-	76	76
Payable against redemption of units	-	2,233	2,233
Accrued expenses and other liabilities	-	508	508
	<u>-</u>	<u>3,697</u>	<u>3,697</u>

NAFA SAVINGS PLUS FUND

-----As on June 30, 2010-----			
	Loans and receivables	Financial assets at fair value through profit or loss	Total
-----Rupees in '000-----			
Assets			
Balances with banks	232,320	-	232,320
Investments	-	189,079	189,079
Loans and receivables	159,000	-	159,000
Receivable against Margin Trading System	-	-	-
Profit receivable	9,450	-	9,450
Deposits and other receivables	1,310	-	1,310
	<u>402,080</u>	<u>189,079</u>	<u>591,159</u>
-----As on June 30, 2010-----			
	At fair value through profit or loss	Other financial liabilities	Total
-----Rupees in '000-----			
Liabilities			
Payable to the Management Company	-	3,829	3,829
Payable to the Trustee	-	98	98
Payable against redemption of units	-	1,959	1,959
Accrued expenses and other liabilities	-	586	586
	<u>-</u>	<u>6,472</u>	<u>6,472</u>

21 TRANSACTIONS WITH CONNECTED PERSONS

- 21.1 Connected persons include NBP Fullerton Asset Management Limited being the Management Company (NAFA), Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and Alexandra Fund Management Pte. Limited being the sponsors, NAFA Provident Fund Trust being the employee contribution plan of the Management Company, NBP Endowment Fund Student Loan Scheme being a student loan scheme managed by the sponsor, other collective investment schemes managed by the Management Company and directors and officers of the Management Company.
- 21.2 On March 31, 2010, NIB Bank Limited sold out its shareholding of NAFA to NBP. Accordingly, thereafter NIB is no longer a connected person for the Management Company.
- 21.3 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 21.4 Remuneration to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 21.5 Remuneration payable to the Trustee is determined in accordance with the provisions of the Trust Deed.
- 21.6 The details of significant transactions carried out by the Fund with connected persons and balances with them, as at year / period end, are as follows:

NAFA SAVINGS PLUS FUND

	For the year ended June 30, 2011	For the period from October 24, 2009 to June 30, 2010
-----Rupees in '000-----		
Transactions during the year / period:		
NBP Fullerton Asset Management Limited - Management Company		
Management fee for the year / period	10,834	6,089
Preliminary expenses and floatation costs paid by the Management Company on behalf of the Fund	-	2,611
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the year / period	1,138	700
CDS charges	19	-
National Bank of Pakistan - Sponsor		
Units issued during the year / period (Nil unit; 2010: 3,000,000 units)	-	30,000
Pre-IPO profit paid	-	187
Cash dividend paid	3,220	750
NIB Bank Limited - (Previously a Sponsor)		
Units issued during the year / period (Nil unit; 2010: 3,000,000 units)		30,000
Units redeemed during the year / period (Nil unit; 2010: 1,500,000 units)		15,281
Profit on bank deposit		5,793
Treasury bills purchased		96,961
Investment in term deposit receipts		50,000
Profit paid by the Fund on pre-IPO investment		197
NBP Endowment Fund Student Loan Scheme		
Units issued during the year / period (4,380,159 units; 2010: 5,800,542 units)	45,000	59,200
Bonus units issued during the year / period (935,912 units; 2010: 128,222 units)	-	-
Units redeemed during the year / period (Nil unit; 2010: 578,580 units)	-	5,900
Alexandra Fund Management Pte. Limited - Sponsor		
Units issued during the year / period (Nil unit; 2010: 4,000,000 units)	-	40,000
Bonus units issued during the year / period (290,760 units; 2010: 98,217 units)	-	-
Units redeemed during the year / period (2,075,304 units; 2010: Nil units)	21,000	-
Pre-IPO profit paid	-	302
Employees of the Management Company		
Units issued during the year / period (51,825 units; 2010: 1,654,024 units)	530	16,765
Bonus units issued during the year / period (6,472 units; 2010: 1,098 units)	-	-
Units redeemed during the year / period (41,010 units; 2010: 1,638,597 units)	419	16,667
NAFA Provident Fund Trust - Provident Fund		
Units issued during the year / period (1,841,719 units; 2010: 790,811 units)	18,867	8,120
Bonus units issued during the year / period (46,615 units; 2010: 9,655 units)	-	-
Units redeemed during the year / period (1,892,436 units; 2010: 388,402 units)	19,354	3,992

NAFA SAVINGS PLUS FUND

	June 30, 2011	June 30, 2010
Amounts outstanding as at year / period end	-----Rupees in '000-----	
NBP Fullerton Asset Management Limited - Management Company		
Receivable from the Management Company	700	961
Management fee payable	562	983
Other payable	318	2,846
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	76	98
CDS charges payable	9	-
Security deposit	100	-
National Bank of Pakistan - Sponsor		
Investment held by the Sponsor in the Fund (3,000,000 units; 2010: 3,000,000 units)	30,913	31,031
Balance in current account	451	582
NBP Endowment Fund Student Loan Scheme		
Investment held in the Fund (10,666,255 units; 2010: 5,350,184 units)	109,907	55,341
Alexandra Fund Management Pte. Limited - Sponsor		
Investment held by the Sponsor in the Fund (2,313,673 units; 2010: 4,098,217 units)	23,841	42,391
Employees of the Management Company		
Investment held by the executives in the Fund (74,893 units; 2010: 16,525 units)	772	171
NAFA Provident Fund Trust - Provident Fund		
Investment held in the Fund (407,962 units; 2010: 412,064 units)	4,204	4,262
NAFA Government Securities Liquid Fund		
Payable against redemption of units	-	1,225
NAFA Asset Allocation Fund		
Payable against redemption of units	144	-

22 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

Details of members of the investment committee of the Fund are as follows:

----- As on June 30, 2011 -----

S. No.	Name	Qualification	Experience in years
1	Dr. Amjad Waheed	MBA / Doctorate in Business Administration / CFA	23
2	Sajjad Anwar	CFA / MBA Finance	11
3	Tanvir Abid	CFA / MBA / FRM	12
4	Ahmed Nouman*	CFA / EMBA	15

*Mr. Ahmed Nouman is the manager of the Fund. He is also the fund manager of NAFA Government Securities Liquid Fund and NAFA Income Fund.

NAFA SAVINGS PLUS FUND

23 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

2011

1	BMA Capital Management Limited	29.11%
2	JS Global Capital Limited	21.45%
3	Al Falah Securities Limited	8.71%
4	Atlas Capital Market (Private) Limited	7.79%
5	Elixir Securities Pakistan (Private) Limited	7.68%
6	Global Securities Pakistan Limited	7.43%
7	Icon Securities (Private) Limited	5.85%
8	Invest & Finance Securities (Private) Limited	5.14%
9	Invisor Securities (Private) Limited	2.27%
10	KASB Securities Limited	1.78%

2010

1	Global Securities Pakistan Limited	42.34%
2	Invest Capital And Securities (Private) Limited	20.90%
3	IGI Finex Securities Limited	11.43%
4	KASB Securities Limited	7.47%
5	First Capital Securities Corporation Limited	5.47%
6	Atlas Capital Market (Private) Limited	5.08%
7	Invisor Securities (Private) Limited	2.68%
8	Elixir Securities Pakistan (Private) Limited	2.53%
9	JS Global Capital Limited	1.44%
10	BMA Capital Management Limited	0.66%

24 PATTERN OF UNIT HOLDING

----- As on June 30, 2011 -----

Category	Number of unit holders	Invested amount	Percentage of investment
Rupees in '000			
Individuals	471	226,591	41.56%
Associated companies / Directors	3	70,209	12.88%
Insurance companies	-	-	-
Banks / DFIs	-	-	-
NBFCs	-	-	-
Retirement funds	11	101,453	18.61%
Public Limited companies	5	8,738	1.60%
Others	9	138,240	25.35%
	499	545,231	100.00%

----- As on June 30, 2010 -----

Category	Number of unit holders	Invested amount	Percentage of investment
Rupees in '000			
Individuals	575	225,028	38.39%
Associated companies / Directors	4	93,201	15.90%
Insurance companies	-	-	-
Banks / DFIs	-	-	-
NBFCs	-	-	-
Retirement funds	9	78,065	13.32%
Public Limited companies	8	32,940	5.62%
Others	10	156,863	26.77%
	606	586,097	100.00%

NAFA SAVINGS PLUS FUND

25 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The 27th, 28th, 29th, 30th and 31st Board meetings were held on July 5, 2010, August 25, 2010, October 18, 2010, February 18, 2011 and April 19, 2011 respectively. Information in respect of attendance by Directors in the meetings is given below:

Name of Director	Number of meetings			Meetings not attended
	Held	Attended	Leave granted	
Mr. Qamar Hussain*	4	2	2	29th, 30th meeting
Mr. Shahid Anwar Khan	5	4	1	27th meeting
Dr. Asif A. Brohi*****	4	-	4	28th, 29th, 30th & 31st meeting
Mr. Shehryar Faruque	5	3	2	27th & 29th meeting
Mr. Kamal Amir Chinoy	5	3	2	27th & 30th meeting
Syed Iqbal Ashraf**	1	1	-	
Mr. Gerard Lee How Cheng***	3	2	1	29th meeting
Mr. Patrick Pang Chin Hwang	5	5	-	
Mr. Choy Peng Wah****	1	-	1	30th meeting
Mr. Wah Geok Sum*****	1	1	-	
Dr Amjad Waheed	5	5	-	

* Mr. Qamar Hussain resigned from the Board with effect from March 25, 2011.

** Mr. Syed Iqbal Ashraf was co-opted on the Board with effect from March 25, 2011.

*** Mr. Gerard Lee How Cheng resigned from the Board with effect from November 15, 2010.

**** Mr. Choy Peng Wah was co-opted on the Board with effect from November 5, 2010 & has resigned from the Board with effect from February 18, 2011.

***** Mr. Wah Geok Sum was co-opted on the Board with effect from February 18, 2011.

***** Dr. Asif A. Brohi was co-opted on the Board with effect from August 9, 2010.

26 FINANCIAL RISK MANAGEMENT

The Fund is an income Fund which primarily invests in government securities and margin trading transactions. The Fund's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

26.1 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices.

The Management Company manages the market risk by monitoring exposure on marketable securities by following internal risk management policies and regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk: currency risk, yield / interest rate risk and other price risk.

26.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as all transactions are carried out in Pak Rupees.

26.1.2 Yield / Interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

NAFA SAVINGS PLUS FUND

26 a) Sensitivity analysis for variable rate instruments

As at June 30, 2011, the Fund does not hold any variable rate instruments and is not exposed to cash flow interest rate risk.

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2011 the Fund holds Market Treasury Bills which are classified as 'at fair value through profit or loss', exposing the Fund to fair value interest rate risk. In case of 100 basis points increase in rates announced by the Financial Market Association on June 30, 2011, with all other variables held constant, the net income for the year and net assets would be lower by Rs 422 thousand (2010: Rs 467 thousand). In case of 100 basis points decrease in rates announced by the Financial Market Association on June 30, 2011, with all other variables held constant, the net income for the year and net assets would be higher by Rs 636 thousand (2010: Rs 468 thousand).

The composition of the Fund's investment portfolio and rates announced by Financial Market Association of Pakistan is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2011 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

Yield / interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

-----As at June 30, 2011-----

Total	Exposed to yield/interest rate risk			Not exposed to Yield/Interest rate risk
	Upto three months	More than three months and upto one year	More than one year	

On-balance sheet financial instruments

Financial assets

	-----Rupees in '000-----				
Balances with banks	132,970	132,519	-	-	451
Investments	295,223	295,223	-	-	-
Loans and receivables	50,000	50,000	-	-	-
Receivable against Margin Trading System	59,363	59,363	-	-	-
Profit receivable	2,564	-	-	-	2,564
Deposits and other receivables	9,186	-	-	8,350	836
	549,306	537,105	-	8,350	3,851

Financial liabilities

Payable to the Management Company	880	-	-	-	880
Payable to Trustee	76	-	-	-	76
Payable against redemption of units	2,233	-	-	-	2,233
Accrued expenses and other liabilities	508	-	-	-	508
	3,697	-	-	-	3,697

On-balance sheet gap

	545,609	537,105	-	8,350	154
--	---------	---------	---	-------	-----

Off-balance sheet financial instruments

Margin Trading System (MTS) transactions entered into by the Fund in respect of which the sale transactions have not been settled

	11,476	11,476	-	-	-
--	--------	--------	---	---	---

Off-balance sheet gap

	11,476	11,476	-	-	-
--	--------	--------	---	---	---

NAFA SAVINGS PLUS FUND

-----As at June 30, 2010-----

Total	Exposed to yield/interest rate risk			Not exposed to Yield/Interest rate risk
	Upto three months	More than three months and upto one year	More than one year	
-----Rupees in '000-----				
On-balance sheet financial instruments				
Financial assets				
Balances with banks	232,320	231,739	-	581
Investments	189,079	132,297	56,782	-
Loans and receivables	159,000	159,000	-	-
Receivable against Margin Trading System	-	-	-	-
Profit receivable	9,450	-	-	9,450
Deposits and other receivables	1,310	-	-	1,310
	591,159	523,036	56,782	11,341
Financial liabilities				
Payable to the Management Company	3,829	-	-	3,829
Payable to the Trustee	98	-	-	98
Payable against redemption of units	1,959	-	-	1,959
Accrued expenses and other liabilities	586	-	-	586
	6,472	-	-	6,472
On-balance sheet gap	584,687	523,036	56,782	4,869
Off-balance sheet financial instruments	-	-	-	-
Off-balance sheet gap	-	-	-	-

The rates of return on financial instruments are as follows:

	2011	2010
	-----Percentage per annum-----	
Balances with banks in saving accounts	5.00 - 12.00	5.00 - 12.00
Term deposit receipts	12.30 - 13.70	12.25 - 12.90
Market treasury bills	12.05 - 13.56	11.70 - 12.30
Clean placements	12.20 - 13.50	12.20 - 13.00
Certificates of investment	12.05 - 13.70	12.05 - 12.50

26.1.3 Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from yield / interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Presently, the Fund is not exposed to any price risk as no equity securities are held by the Fund as on June 30, 2011.

26.2 Credit risk and management of credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to its investment in debt securities, loans and receivables and balances with banks. Risks attributable to investments in Market Treasury Bills is limited as these are guaranteed by the Federal Government while bank balances are maintained with banks with a reasonably high credit rating. The Fund's policy is to enter into financial instrument contracts by following internal guidelines such as approving counterparties, approving credit, obtaining adequate collateral and transacting through approved brokers.

The analysis below summarises the credit quality of the Fund's bank balances:

Bank balances by rating category	As on June 30, 2011	As on June 30, 2010
	-----Percentage-----	
A1+	94.64%	92.05%
A2 , A-2	0.52%	1.36%
A-1+	4.32%	5.63%
A1 , A-1	0.52%	0.96%

The maximum exposure to credit risk before any credit enhancement as at June 30, 2011 is the carrying amount of the financial assets. None of these assets are 'impaired' or 'past due but not impaired'

NAFA SAVINGS PLUS FUND

26.2.1 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in the relation to the Fund's total credit exposure. The Fund's portfolio mainly comprises of government securities and remaining transactions are entered into with diverse creditworthy counterparties thereby mitigating any significant concentration of credit risk to counterparties other than government.

26.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily cash redemptions, if any, at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is, therefore, to invest the majority of its assets in government securities that can be readily disposed and are considered readily realisable.

The Fund has the ability to borrow in the short-term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, during the current year, no borrowing was obtained by the Fund

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any significant redemptions during the year.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Credit risk and management of credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to its investment in debt securities, loans and receivables and balances with banks. Risks attributable to investments in Market Treasury Bills is limited as these are guaranteed by the Federal Government while bank balances are maintained with banks with a reasonably high credit rating. The Fund's policy is to enter into financial instrument contracts by following internal guidelines such as approving counterparties, approving credit, obtaining adequate collateral and transacting through approved brokers.

The analysis below summarises the credit quality of the Fund's bank balances:

-----As at June 30, 2011-----

Total	Upto three months	Over three months and upto one year	Over one year
-------	-------------------	-------------------------------------	---------------

-----Rupees in '000-----

880	880	-	-
76	76	-	-
2,233	2,233	-	-
508	508	-	-
3,697	3,697	-	-

Liabilities

Payable to the Management Company
Payable to the Trustee
Payable against redemption of units
Accrued expenses and other liabilities

-----As at June 30, 2010-----

Total	Upto three months	Over three months and upto one year	Over one year
-------	-------------------	-------------------------------------	---------------

-----Rupees in '000-----

3,829	983	-	2,846
98	98	-	-
1,959	1,959	-	-
586	586	-	-
6,472	3,626	-	2,846

Liabilities

Payable to the Management Company
Payable to the Trustee
Payable against redemption of units
Accrued expenses and other liabilities

NAFA SAVINGS PLUS FUND

27 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to distributions and to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the Statement of Movement in Unit Holders' Fund.

The Fund has no restriction on the subscription and redemption of units. There is no specific capital requirement which is applicable to the Fund.

The Management Company has taken undertaking from the sponsors to invest Rs 50 million for at least two years in compliance with Regulation 44 (3) (e) (ii) of the NBFC Regulations.

The Fund's objectives when managing unit holders' fund are to safeguard its ability to continue as a going concern so that it can continue to provide returns to unit holders and to maintain a strong base of assets under management.

In accordance with the risk management policies stated in note 26, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, which would be augmented by short-term borrowings or disposal of investments where necessary.

28 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradeable in an open market are revalued at the market prices prevailing at the close of trading on the reporting date. Investments of the Fund in government securities are revalued on the basis of rates announced by the Financial Market Association of Pakistan. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from carrying values as the items are either short-term in nature or are periodically repriced.

According to the amendments to International Financial Reporting Standard (IFRS) 7, "Financial Instruments: Disclosures" requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

	----- As on June 30, 2011 -----			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
ASSETS				
Investment in government securities - held for trading	295,223	-	-	295,223
	----- As on June 30, 2010 -----			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
ASSETS				
Investment in government securities - held for trading	189,079	-	-	189,079

NAFA SAVINGS PLUS FUND

29 NON-ADJUSTING EVENT AFTER THE REPORTING DATE

The Board of Directors of the Management Company in its meeting held on July 04, 2011 has approved a final distribution for the year ended June 30, 2011 at the rate of 2.762 percent (2010: 3.00 percent). The financial statements of the Fund for the year ended June 30, 2011 do not include the effect of the final distribution which will be accounted for in the financial statements of the Fund for the year ending June 30, 2012.

30 CORRESPONDING FIGURES

Corresponding figures have been re-classified, re-arranged or additionally incorporated in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant re-arrangement or re-classifications were made in these financial statements except that:

- 'Receivable from the Management Company' has been disclosed under 'Deposits, prepayments and other receivables' and is not set-off against 'Payable to the Management Company'.

31 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on September 29, 2011.

32 GENERAL

Figures have been rounded off to the nearest thousand Rupees.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive Officer

Director

NAFA SAVINGS PLUS FUND

PERFORMANCE TABLE

Particulars	For the year ended June 30, 2011	For the period from October 24, 2009 to June 30, 2010
Net assets (Rs. '000')	545,231	586,097
Net Income (Rs. '000')	60,271	34,346
Net Asset Value per units (Rs.)	10.0280	10.0438
Offer price per unit	10.0280	10.0438
Redemption price per unit	10.0280	10.0438
Highest offer price per unit (Rs.)	9.6393	10.0438
Lowest offer price per unit (Rs.)	9.0751	9.4773
Highest redemption price per unit (Rs.)	9.6393	10.0438
Lowest redemption price per unit (Rs.)	9.0751	9.4773
Total return of the fund	10.64%	10.06%
Capital growth	0.19%	4.56%
Income distribution	10.45%	5.50%
Interim distribution per unit	0.7734	0.2500
Final distribution per unit	0.2762	0.3000
Distribution dates		
Interim	18-Oct-10, 18-Feb-11 & 19-Apr-11	29-Apr-10
Final	4-Jul-11	5-Jul-10
Average annual return (launch date 21-11-09) (Since inception to June 30, 2010)	10.42%	10.06%
Portfolio Composition (Please see Fund Manager Report)		
Weighted average portfolio duration	48 Days	51 Days

"Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up."

NAFA SAVINGS PLUS FUND

BLANK

NAFA SAVINGS PLUS FUND

BLANK

NAFA SAVINGS PLUS FUND

BLANK