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NBP Fullerton
Asset Management Ltd.
A Subsidiary of
National Bank of Pakistan

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

**QUARTERLY
REPORT**
**September
30 2016**



Your investments & "NAFA" grow together



**FULLERTON FUND
MANAGEMENT**

Joint - Venture Partners

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.

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NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

FUND'S INFORMATION

Management Company

NBP Fullerton Asset Management Limited – Management Company

Board of Directors of the Management Company

| | |
|-------------------------------|-------------------------|
| Mr. Nausherwan Adil | Chairman |
| Dr. Amjad Waheed | Chief Executive Officer |
| Mr. Aamir Sattar | Director |
| Mr. Abdul Hadi Palekar | Director |
| Mr. Koh Boon San | Director |
| Mr. Lui Mang Yin (Martin Lui) | Director |
| Mr. Kamal Amir Chinoy | Director |
| Mr. Shehryar Faruque | Director |
| Mr. Saiyed Hashim Ishaque | Director |

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

| | |
|----------------------|----------|
| Mr. Shehryar Faruque | Chairman |
| Mr. Koh Boon San | Member |
| Mr. Aamir Sattar | Member |

Human Resource and Remuneration Committee

| | |
|-------------------------------|----------|
| Mr. Kamal Amir Chinoy | Chairman |
| Mr. Lui Mang Yin (Martin Lui) | Member |
| Mr. Abdul Hadi Palekar | 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

Bank Islami Pakistan Limited
Burj Bank Limited
Habib Bank Limited
National Bank of Pakistan
United Bank Limited
Dubai Islamic Bank Limited
Silk Bank Limited

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS 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:

7th Floor Clifton Diamond Building, Block No. 4,
Scheme No. 5, Clifton Karachi.
UAN: 111-111NFA (111-111-632),
(Toll Free): 0800-20001,
Fax: (021) 35825329
Website: www.nafafunds.com

Lahore Office:

7-Noon Avenue, Canal Bank,
Muslim Town, Lahore.
UAN: 042-111-111-632
Fax: 92-42-35861095

Islamabad Office:

Plot No. 395, 396
Industrial Area, I-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 City Branch, Hussain-a-Gahi, Multan.
Phone No: 061-4502204
Fax No: 061-4502203

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the unaudited financial statements of **NAFA Active Allocation Riba Free Savings Fund (NAARFSF)** for the quarter ended September 30, 2016.

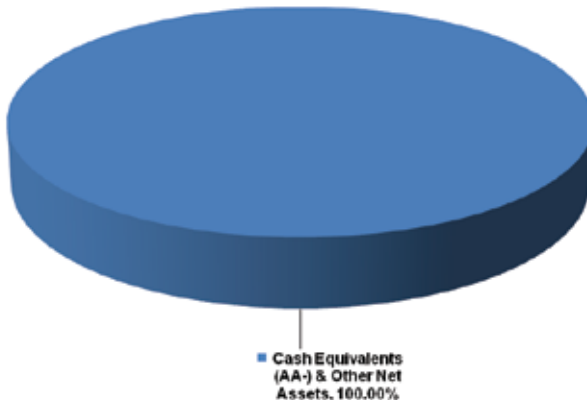
Fund's Performance

The size of NAFA Active Allocation Riba Free Savings Fund has decreased from Rs. 997 million to Rs. 671 million during the quarter, i.e. a decline of 33%. During the period under review, the unit price of the Fund has increased from Rs. 9.9933(Ex-dividend) on June 30, 2016 to Rs. 10.0911 on September 30, 2016, thus posting a return of 3.88% as compared to its Benchmark (6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP) return of 4.30%. The performance of the Fund is net of management fee and all other expenses.

NAARFSF is an Islamic Income Scheme with no direct or indirect exposure to stock market. The Fund aims to consistently provide better returns than profit rates offered by Islamic Banks/Islamic windows of commercial banks, while also providing easy liquidity along with a good quality the fund is allowed to invest in Shariah complaint Government security of maturity up to 3 years as well as Shariah complaint money market and debt security of up to 2 years maturity rated AA- or better.

On the corporate debt sphere, trading activity in /Sukuks remained skewed towards high quality issues with total traded value recorded at around Rs 1.5 billion during the quarter. The trades were mainly concentrated in the Banking sector, making up 64% share. State Bank of Pakistan (SBP) in its bi-monthly monetary policy announcements in July and September 2016 maintained the policy rate at 5.75% citing positives such as comfortable liquidity conditions coupled with record-high foreign exchange reserves and CPEC related projects gathering momentum being balanced against uncertain global oil prices, challenged exports outlook, and heavy scheduled foreign loan payments during FY17, and beyond. We see modest pickup in inflation to 5.0% by the year-end due to partial recovery in commodity prices, expected devaluation, and uptick in private sector borrowing.

The Fund has earned total income of Rs.10.04 million during the period. After deducting expenses of Rs.3.53 million, the net income is Rs.6.51 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NAARFSF.



NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS 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

Chief Executive

Director

Date: October 28, 2016

Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فلٹرن ایسیٹ منجمنٹ لمیٹڈ بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2016ء کو ختم ہونے والی سہ ماہی کے لیے NAFA ایکٹیو ایلوکیشن ریفارمی سیونگز فنڈ (NAARFSF) کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتا ہے۔

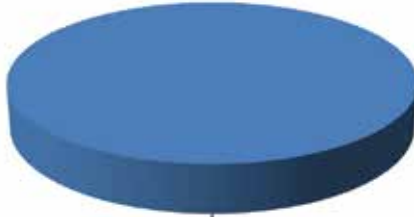
فنڈ کی کارکردگی

NAFA ایکٹیو ایلوکیشن ریفارمی سیونگز فنڈ کا سائز اس سہ ماہی کے دوران 997 ملین روپے سے گھٹ کر 671 ملین روپے ہو گیا ہے، یعنی 33% کمی۔ زیر جائزہ مدت کے دوران فنڈ کے یونٹ کی قیمت 30 جون 2016 کو 9.99333 روپے (Ex-Div) سے بڑھ کر 30 ستمبر 2016 کو 10.09111 روپے تک پہنچ چکی ہے، لہذا سی مدت کے دوران 4.30% نیٹ مارک (MUFAP) کے منتخب کردہ A ریٹنگ والے تین اسلامک بینکس / روایتی بینکوں کی اسلامک ونڈوز کے 6 ماہ کے اوسط ڈپازٹ ریٹ) منافع کے مقابلے میں 3.88% منافع درج کروا یا۔ یہ کارکردگی منجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NAARFSF ایک اسلامک انکم اسکیم ہے جس کا اسٹاک مارکیٹ سے کوئی براہ راست یا بالواسطہ تعلق نہیں ہے۔ فنڈ کا مقصد اسلامک بینکس / کمرشل بینکس کی اسلامک ونڈوز کی پیش کردہ منافع کی شرحوں کے مقابلے میں توازن سے بہتر منافع فراہم کرنا ہے، جب کہ اعلیٰ کوالٹی کے ساتھ آسان لیکویڈیٹی بھی مہیا کرنا ہے۔ فنڈ کو 3 سال تک کی میچورٹی والی شریعہ کمپلائٹ حکومتی سیکورٹی کے ساتھ ساتھ AA- یا بہتر ریٹنگ والی 2 سال تک میچورٹی والی شریعہ کمپلائٹ منی مارکیٹ اور ڈیبٹ (Debt) سیکورٹی میں سرمایہ کاری کی اجازت ہے۔

کاروباری قرض کے حلقے میں صلوک میں تجارتی سرگرمیوں کا اعلیٰ کوالٹی اجرائی کارروائیوں کی طرف جھکاؤ رہا، جن کے لین دین کی مجموعی مالیت اس سہ ماہی کے دوران لگ بھگ 1.5 ارب روپے ریکارڈ کی گئی۔ لین دین کا اصل ارتکاز بینکاری کے شعبے میں رہا جس کا حصہ 64% بنتا ہے۔ اسٹیٹ بینک آف پاکستان نے اپنے جولائی اور ستمبر 2016 کے دو ماہی مالیاتی پالیسی بیانات میں پالیسی ریٹ 5.75% برقرار رکھا، لیکویڈیٹی کی باہولت صورت حال کے ساتھ زرمبادلہ کے ریکارڈ بلند ذخائر اور سی بیک سے متعلق منصوبوں کی رفتار میں اضافے کے مثبت پہلوؤں کی بدولت تیل کی غیر یقینی عالمی قیمتوں، برآمدات سے متعلق چیلنج آمیز امکانات اور مالی سال 2017 میں اور اس کے بعد شیڈیول غیر ملکی قرضوں کی بھاری واپسی کے اثرات بینکس میں رہنے کی توقع ہے۔ ہم ایشیائے صرف کی قیمتوں میں جزوی بحالی، روپے کی قدر میں نیپتی متوقع کمی اور نجی شعبے کی طرف سے قرضوں میں اضافے کی وجہ سے سال کے اختتام تک افراط زر میں 5% تک معتدل اضافہ دیکھ رہے ہیں۔

فنڈ نے اس مدت کے دوران 10.04 ملین روپے آمدنی کمائی ہے۔ 3.53 ملین روپے اخراجات منہا کرنے کے بعد خالص آمدنی 6.51 ملین روپے ہے۔ درج ذیل چارٹ NAARFSF کی ایسیٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:



• Cash Equivalents
(AA+ & Other Net
Assets: 99.99%)

اظہارِ تشکر

بورڈ اس موقع کا فائدہ اٹھاتے ہوئے منجمنٹ کمپنی پر اعتماد اور اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سکپورٹیز ایڈز ایچ جی کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان سے بھی ان کی سرپرستی اور رہنمائی کے لیے پُر خلوص اظہارِ تشکر کرتا ہے۔ بورڈ اپنے اسٹاف اور رٹسٹی کی طرف سے محنت، لگن اور عزم کے مظاہرے پر اپنا خراجِ تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

NBP فلٹرن ایسیٹ منجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

بتاریخ

28 اکتوبر 2016

مقام: کراچی

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT SEPTEMBER 30, 2016

| | Note | Un-Audited September 30, 2016 | Audited June 30, 2016 |
|------------------------------------------------------------------------|------|-------------------------------------|-----------------------------|
| (Rupees in '000) | | | |
| ASSETS | | | |
| Balances with banks | | 667,844 | 336,226 |
| Profit receivable | 4 | 4,940 | 2,583 |
| Receivable against sale of units | | - | 660,000 |
| Other receivables | | 791 | 791 |
| Preliminary expenses and floatation costs | | 860 | 910 |
| | | 674,435 | 1,000,510 |
| LIABILITIES | | | |
| Payable to NBP Fullerton Asset Management Limited - Management Company | | 2,899 | 2,450 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | | 106 | 69 |
| Payable to Securities and Exchange Commission of Pakistan | | 139 | 230 |
| Accrued expenses and other liabilities | 5 | 645 | 454 |
| Total liabilities | | 3,789 | 3,203 |
| NET ASSETS | | 670,646 | 997,307 |
| UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED) | | 670,646 | 997,307 |
| CONTINGENCIES AND COMMITMENTS | 6 | - | - |
| Number of units in issue | | 66,458,988 | 99,574,255 |
| NET ASSET VALUE PER UNIT | | 10.0911 | 10.0157 |

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

| | Note | Quarter Ended September 30, 2016 (Rupees in '000) |
|----------------------------------------------------------------------------------------------------------------------------------|------|------------------------------------------------------------|
| INCOME | | |
| Profit on bank deposits | | 10,264 |
| Total income | | 10,264 |
| EXPENSES | | |
| Remuneration of NBP Fullerton Asset Management Limited Management Company | | 2,311 |
| Sindh sales tax on remuneration of the Management Company | | 300 |
| Remuneration to Central Depository Company of Pakistan Limited- Trustee | | 314 |
| Sindh Sales Tax on remuneration of the Trustee | | 41 |
| Annual fee - Securities and Exchange Commission of Pakistan | | 139 |
| Settlement and bank charges | | 9 |
| Rating Fee | | 46 |
| Auditors' remuneration | | 38 |
| Accounting and operational charges to the Management Company | | 185 |
| Shariah Advisor Fee | | 92 |
| Amortization of Formation Cost | | 50 |
| Total Expenses | | 3,525 |
| Net Income from operating activities | | 6,739 |
| Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net | | (225) |
| Net Income for the period before taxation | | 6,514 |
| Taxation | 7 | - |
| Net Income for the period after taxation | | 6,514 |
| Earnings per unit | 8 | |

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

| | Quarter Ended September 30, 2016 (Rupees in '000) |
|--------------------------------------------------|------------------------------------------------------------|
| Net Income for the period after taxation | 6,514 |
| Other Comprehensive Income | - |
| Total comprehensive Income for the period | <u>6,514</u> |

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

| | Quarter Ended September 30, 2016 (Rupees in '000) |
|-----------------------------------------------------------------------------------|------------------------------------------------------------|
| Undistributed income brought forward | |
| Realised income | 1,565 |
| Unrealised Gain | - |
| | <u>1,565</u> |
| Net Income for the period after taxation | 6,514 |
| Final distribution for the year ended June 30, 2016 : 0.23% -Cash Distribution | (1,499) |
| Undistributed Income carried forward | <u>6,580</u> |
| Undistributed income comprising of: | |
| Realised income | 6,580 |
| Unrealised Gain | - |
| | <u>6,580</u> |

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

| | Quarter Ended September 30, 2016 (Rupees in '000) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| Net assets at the beginning of the period | 997,307 |
| Issue of units 32,124,249 | 322,499 |
| Redemption of units 65,239,515 | (654,400) |
| Element of (income) / loss and capital gains / (losses) included in the prices of units issued less those in units redeemed-Transferred to income statement | (331,901) 225 |
| Other income (net of expenses) for period | 6,514 6,514 |
| Final distribution for the year ended June 30, 2016 : 0.23% - Cash distribution | (1,499) (1,499) |
| Net assets at the end of the period | 670,646 |

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

| | Quarter ended September 30, 2016 (Rupees in '000) |
|------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | |
| Net Income for the period before taxation | 6,514 |
| Adjustments | |
| Amortization of Formation Cost | 50 |
| Element of (income) / loss and capital (gain) / losses included in prices of units issued less those in units redeemed - net | 225 |
| | <u>6,789</u> |
| (Increase) / decrease in assets | |
| Profit receivable | (2,357) |
| Receivable against sale of units | 660,000 |
| | <u>657,643</u> |
| Increase / (decrease) in liabilities | |
| Payable to NBP Fullerton Asset Management Limited - Management Company | 449 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 37 |
| Payable to Securities and Exchange Commission of Pakistan | (91) |
| Accrued expenses and other liabilities | 191 |
| | <u>586</u> |
| Net cash generated from operating activities | <u>665,018</u> |
| CASH FLOW FROM FINANCING ACTIVITIES | |
| Net receipts from issue of units | 322,499 |
| Net payments on redemption of units | (654,400) |
| Distributions Paid | (1,499) |
| Net cash used in financing activities | <u>(333,400)</u> |
| Net increase in cash and cash equivalents during the period | <u>331,618</u> |
| Cash and cash equivalents at the beginning of the period | 336,226 |
| Cash and cash equivalents at the end of the period | <u><u>667,844</u></u> |

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS (Un-Audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on November 03, 2015 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 03, 2015. under 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 the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. Due to a fire incident in the month of June 2016 at the registered office of the Management Company, it's office has been temporarily shifted to 2nd floor, Ex - NDFC Building, Tariq Road, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The objective of the fund is to earn a reasonable rate of return along with a high degree of liquidity by investing in short-term Shari'ah compliant banks deposits and money market/debt securities.

The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of AM2++ to the Management Company.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) 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 directives issued by the 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.

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'.

The directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2016

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Principal accounting policies adopted for the preparation of these condensed interim financial statements for the quarter ended September 30, 2016 are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2016.

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

| | (Un-audited) As at September 30, 2016 | (Audited) As at June 30, 2016 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| | (Rupees in '000) | |
| 4 DIVIDEND AND PROFIT RECEIVABLE | | |
| Profit receivable on balances with banks | 4,940 | 2,583 |
| | <u>4,940</u> | <u>2,583</u> |
| 5 ACCRUED EXPENSES AND OTHER LIABILITIES | | |
| Auditors' remuneration | 188 | 150 |
| Shariah advisory fee | 282 | 190 |
| Annual rating fee | 122 | 76 |
| With holding tax payable | 18 | 9 |
| Bank charges | 35 | 29 |
| | <u>645</u> | <u>454</u> |
| 6 CONTINGENCIES AND COMMITMENTS | | |
| There were no contingencies outstanding as at September 30, 2016 and June 30, 2016. | | |
| 7 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 period, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders. The management intends to distribute atleast 90% of the Fund's net accounting income earned by the year end to the unit holders. Accordingly, no provision for taxation has been made in this condensed interim financial information. | | |
| The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. | | |
| 8 EARNINGS PER UNIT | | |
| Earnings per unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable. | | |
| 9 Total Expense Ratio | | |
| Total expense ratio (all the expenses incurred during the period divided by Average net assets value for the period) is 1.92% p.a. including 0.26% representing government levies on collective Investment scheme such as Sales tax, Worker's Welfare Fund and Securities & Exchange Commission of Pakistan fee for the same period. | | |
| 10 TRANSACTIONS WITH CONNECTED PERSONS | | |
| 10.1 | Connected persons include NBP Fullerton Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan and Alexandra Fund Management Pte. Limited being the sponsors, NAFA provident Trust Fund being the employee contribution plan of the Management Company, other collective investment schemes managed by the Management Company and directors and officers of the Management Company. | |
| 10.2 | The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates. | |
| 10.3 | Remuneration and front-end load payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively. | |
| 10.4 | Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC regulation and the Trust Deed. | |

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

| | Un-audited Quarter Ended September 30, 2016 | |
|--------------------------------------------------------------------------------|------------------------------------------------------|-----------------------------|
| | (Rupees in '000) | |
| 10.5 Details of the transactions with connected persons are as follows: | | |
| NBP Fullerton Asset Management Limited - Management Company | | |
| Remuneration of the Management Company | | 2,311 |
| Sindh sales tax on remuneration of the Management Company | | 300 |
| Accounting and operational charges to the Management Company | | 185 |
| NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN I) | | |
| Units issued during the period (29,344 units) | | 296 |
| Units redeemed during the period (4,192,998 units) | | 42,000 |
| Cash Dividend | | 296 |
| NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN II) | | |
| Units issued during the period (28,913 units) | | 292 |
| Units redeemed during the period (3,494,165) | | 35,000 |
| Cash Dividend | | 292 |
| NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN III) | | |
| Units issued during the period (32,065,991 units) | | 321,911 |
| Units redeemed during the period (57,552,353 units) | | 577,400 |
| Cash Dividend | | 911 |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration to Central Depository Company of Pakistan Limited- Trustee | | 314 |
| Sindh Sales Tax on remuneration of the Trustee | | 41 |
| | Un-audited September 30, 2016 | Audited June 30, 2016 |
| | ----- (Rupees in '000) ----- | |
| 10.6 Amounts outstanding as at period end | | |
| NBP Fullerton Asset Management Limited - Management Company | | |
| Management remuneration payable | 688 | 442 |
| Sindh sales tax on remuneration | 90 | 72 |
| Federal excise duty on remuneration | 612 | 612 |
| Preliminary expenses and floatation cost payable | 1,000 | 1,000 |
| Accounting and operational charges payable to the Management Company | 491 | 306 |
| Other payable | 18 | 18 |
| NAFA Islamic Active Allocation Fund (Plan I) | | |
| Units held 13,120,703 units (June 30,2016 units 17,284,357) | 132,402 | 173,115 |
| NAFA Islamic Active Allocation Fund (Plan II) | | |
| Units held 12,928,104 units (June 30,2016 units 16,393,355) | 130,459 | 164,191 |
| NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN III) | | |
| Units Held 40,410,181 units (June 30,2016 units 65,896,542) | 407,783 | 660,000 |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration payable | 94 | 61 |
| Sales Tax | 12 | 8 |

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

11 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 28, 2016.

12 GENERAL

12.1 Figures have been rounded off to the nearest thousand rupees.

12.2 Comparative information is not available as the Fund commenced its operations on January 18, 2016.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director



NBP Fullerton
Asset Management Ltd.
A Subsidiary of
National Bank of Pakistan

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