

## 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 GOVERNMENT SECURITIES LIQUID 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
Mr. Amir Shehzad	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
Mr. Amir Shehzad	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  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
NIB Bank Limited  
United Bank Limited  
National Bank of Pakistan  
KASB Bank Limited  
Standard Chartered Bank (Pak) Limited

# NAFA GOVERNMENT SECURITIES LIQUID 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)  
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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

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# NAFA GOVERNMENT SECURITIES LIQUID FUND

## DIRECTORS' REPORT

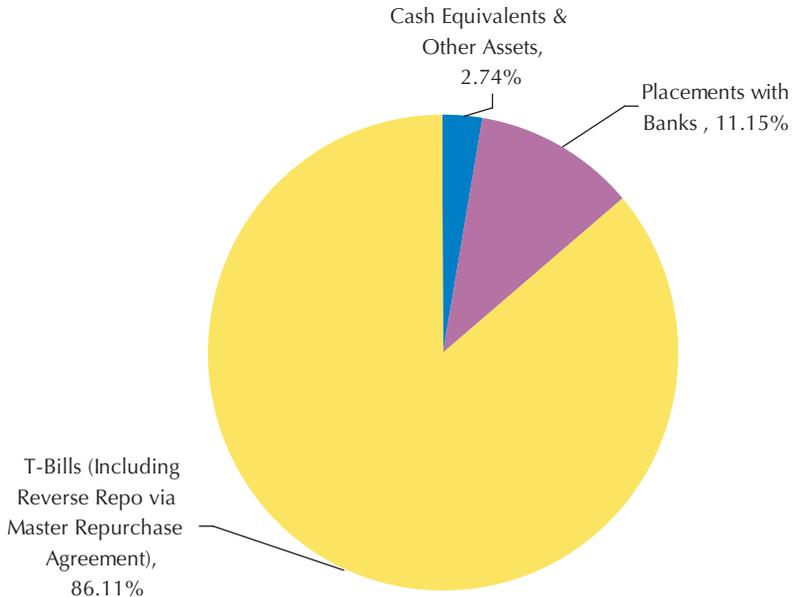
The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the unaudited financial statements of NAFA Government Securities Liquid Fund for the quarter ended September 30, 2011.

### Fund's Performance

The size of NAFA Government Securities Liquid Fund has reduced from Rs. 10,810 million to Rs. 10,312 million during the period, i.e. a decline of 4.61%. During the said period, the unit price of the Fund has increased from Rs. 9.9048 (Ex-Div) on June 30, 2011 to Rs. 10.1889 on September 30, 2011, thus showing an annualized return of 11.87% as compared to its Benchmark (70%3-MonthT-Bills & 30% average 3-Month deposit rate of 'AA' & above rated banks) annualized return of 11.60% for the same period.

NGSLF's Fund stability rating is 'AAA(f)' awarded by PACRA. The rating reflects exceptionally strong credit and liquidity profile of your Fund. NGSLF (i) allocates a minimum of 85% to Government Securities; and (ii) maintains maximum maturity of a single T-Bill to three months. The investment value of NGSLF has not declined on any day since the launch of the Fund in May 2009.

The Fund has earned total income of Rs.397.11 million during the period. After deducting expenses of Rs.57.25 million, the net income is Rs.339.86 million; translating into per unit income of Rs.0.2841. The asset allocation of the Fund as on September 30, 2011 is as follows:



# NAFA GOVERNMENT SECURITIES LIQUID FUND

## Income Distribution

The Board of Directors of the Management Company has ratified interim monthly distribution of 2.7% of opening ex-NAV (2.724% of par value) for the period.

## 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 27, 2011  
Place: Karachi.

# NAFA GOVERNMENT SECURITIES LIQUID FUND

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2011

		(Un-audited) September 30, 2011	(Audited) June 30, 2011
		-----Rupees in '000-----	
<b>ASSETS</b>	<b>Note</b>		
Balances with banks		392,831	872,997
Investments	4	6,864,264	7,918,819
Loans and receivables		3,015,693	2,008,467
Profit receivable	5	92,946	55,740
Prepayments and other receivables		7,313	7,386
Preliminary expenses and floatation costs		2,600	2,849
<b>Total assets</b>		<b>10,375,647</b>	<b>10,866,258</b>
<b>LIABILITIES</b>			
Payable to Management Company		14,167	11,221
Payable to Trustee		794	732
Payable to Securities and Exchange Commission of Pakistan		2,267	6,756
Payable on redemption of units		4,834	3,638
Accrued expenses and other liabilities	6	41,125	33,477
<b>Total liabilities</b>		<b>63,187</b>	<b>55,824</b>
<b>Net Assets</b>		<b>10,312,460</b>	<b>10,810,434</b>
<b>Unit Holders' Funds (as per statement attached)</b>		<b>10,312,460</b>	<b>10,810,434</b>
<b>Commitments</b>	10	-	-
		<b>Number of units</b>	
<b>Number of units in issue</b>		<b>1,012,122,318</b>	<b>1,043,538,317</b>
		<b>Rupees</b>	
<b>Net asset value per unit</b>		<b>10.1889</b>	<b>10.3594</b>

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

For NBP Fullerton Asset Management Limited  
(Management Company)

Chief Executive

Director

# NAFA GOVERNMENT SECURITIES LIQUID FUND

## CONDENSED INTERIM INCOME STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2011 (UN-AUDITED)

	Note	Quarter ended September 30, 2011	Quarter ended September 30, 2010
Rupees in '000			
<b>INCOME</b>			
Capital (loss) on sale of investments - net		(510)	(139)
Income from government securities		298,316	152,019
Income from term deposit receipts		35,079	18,002
Income from reverse repo transactions		59,771	31,129
Income from letter of placements		-	741
Profit on bank deposits		8,501	9,843
Net unrealised diminution in the value of investments at fair value through profit or loss		(4,049)	441
<b>Total Income</b>		<u>397,108</u>	<u>212,036</u>
<b>EXPENSES</b>			
Remuneration of the Management Company		37,788	22,239
Remuneration of the Trustee		2,456	1,523
Annual fee - Securities and Exchange Commission of Pakistan		2,267	1,334
Securities transaction cost		1,063	269
Bank charges		262	181
Annual listing fee		10	8
Auditors' remuneration		124	116
Amortisation of preliminary expenses and floatation costs		249	250
Rating Fee		50	50
Other charges		6,046	83
<b>Total Expenses</b>		<u>50,315</u>	<u>26,053</u>
		346,793	185,983
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed		-	(14,143)
Provision for workers' welfare fund		(6,936)	(3,437)
<b>Net income for the period before taxation</b>		<u>339,857</u>	<u>168,403</u>
Taxation	9	-	-
<b>Net income for the period after taxation</b>		<u>339,857</u>	<u>168,403</u>
Earnings per unit	8		

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

For NBP Fullerton Asset Management Limited  
(Management Company)

Chief Executive

Director

# NAFA GOVERNMENT SECURITIES LIQUID FUND

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2011 (UN-AUDITED)

	Quarter ended September 30, 2011	Quarter ended September 30, 2010
	Rupees in '000	
Net income for the period after taxation	339,857	168,403
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<u>339,857</u>	<u>168,403</u>

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

For NBP Fullerton Asset Management Limited  
(Management Company)

Chief Executive

Director

# NAFA GOVERNMENT SECURITIES LIQUID FUND

## CONDENSED INTERIM DISTRIBUTION STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2011 (UN-AUDITED)

	Quarter ended September 30, 2011	Quarter ended September 30, 2010
	Rupees in '000	
Undistributed income brought forward comprising :		
- Realised income	365,504	153,313
- Unrealised (loss) / income	(4,425)	(1,974)
	<u>361,079</u>	<u>151,339</u>
Final distribution for the period ended June 30, 2011: 2.757% (June 30, 2010 : 2.501%) declared on July 04, 2011 (June 30, 2010:declared on July 5, 2010)		
- Cash distribution	(19,861)	(6,140)
- Bonus units	(267,810)	(135,165)
Interim distribution for the period ended July 31, 2011: 0.908% (July 31, 2010 : Nil) declared on August 02 2011		
- Cash distribution	(6,685)	-
- Bonus units	(103,589)	-
Interim distribution for the period ended August 31, 2011: 0.908% (August 31, 2010: Nil) declared on September 6, 2011		
- Cash distribution	(7,440)	-
- Bonus units	(100,953)	-
Net income for the period	339,857	168,403
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	(14,703)	1,497
Undistributed income carried forward	<u>179,895</u>	<u>179,934</u>
<b>Undistributed income comprising:</b>		
- Realised income	183,944	181,467
- Unrealised income / (loss)	(4,049)	(1,533)
	<u>179,895</u>	<u>179,934</u>

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

For NBP Fullerton Asset Management Limited  
(Management Company)

Chief Executive

Director

# NAFA GOVERNMENT SECURITIES LIQUID FUND

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE QUARTER ENDED SEPTEMBER 30, 2011 (UN-AUDITED)

	Quarter ended September 30, 2011	Quarter ended September 30, 2010
	Rupees in '000	
Net assets at the beginning of the period	10,810,434	5,805,378
Issue of 445,695,364 units including 46,804,102 bonus units (September 30, 2010: 307,993,563 units)	4,042,617	2,980,928
Redemption of 477,111,363 units (September 30, 2010: 232,389,938 units)	(4,846,462) (803,845)	(2,372,378) 608,550
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed		
- amount representing (income) / loss and capital (gains) / losses - transferred to Income Statement	-	14,143
- amount representing loss and capital losses that form part of unit holders' fund - transferred to Distribution Statement	14,703 14,703	(1,497) 12,646
Net unrealised diminution in the value of investments at fair value through profit or loss Gain / (loss) on sale of investments	(4,049) (510)	441 (139)
Other income (net of expenses)	344,416	168,101
Distribution:		
Final distribution for the period ended June 30, 2011: 2.757% (June 30, 2010 : 2.501%) declared on July 04, 2011 (June 30, 2010:declared on July 5, 2010)	(19,861) (267,810)	(6,140) (135,165)
Interim distribution for the period ended July 31, 2011: 0.908% (July 31, 2010 : Nil) declared on August 02 2011	(6,685) (103,589)	- -
Interim distribution for the period ended August 31, 2011: 0.908% (August 31, 2010: Nil) declared on September 6, 2011	(7,440) (100,953)	- -
Add: Bonus distribution	(166,481)	27,098
Final distribution	267,810	135,165
Interim distribution	204,542	-
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - amount representing income / (losses) that form part of the unit holders' fund	(14,703)	1,497
<b>Net assets as at the end of the period</b>	<b><u>10,312,460</u></b>	<b><u>6,590,334</u></b>

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

For NBP Fullerton Asset Management Limited  
(Management Company)

Chief Executive

Director

# NAFA GOVERNMENT SECURITIES LIQUID FUND

## CONDENSED INTERIM CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2011 (UN-AUDITED)

	Quarter ended September 30, 2011	Quarter ended September 30, 2010
	Rupees in '000	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	339,857	168,403
<b>Adjustments</b>		
Net unrealised diminution in the value of investments at fair value through profit or loss	4,049	(441)
Amortisation of preliminary expenses and floatation costs	249	250
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	-	14,143
	<u>344,155</u>	<u>182,355</u>
<b>(Increase) / decrease in assets</b>		
Investments	1,050,506	(240,909)
Loans and receivables	(1,007,226)	(1,083,593)
Profit receivable	(37,206)	5,657
Prepayments and other receivables	73	1,001
	6,147	(1,317,844)
<b>Increase / (decrease) in liabilities</b>		
Payable to the Management Company	2,946	394
Payable to the Trustee	62	58
Payable to the Securities and Exchange Commission of Pakistan	(4,489)	(1,648)
Accrued expenses and other liabilities	7,648	5,239
	6,167	4,043
<b>Net cash outflow on operating activities</b>	<u>356,469</u>	<u>(1,131,446)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Receipts from issue of units	4,042,617	2,980,928
Payments on redemption of units	(4,845,266)	(2,444,276)
Distributions paid	(33,986)	(6,140)
<b>Net cash inflow from financing activities</b>	<u>(836,635)</u>	<u>530,512</u>
<b>Net decrease in cash and cash equivalents during the period</b>	<u>(480,166)</u>	<u>(600,934)</u>
Cash and cash equivalents at the beginning of the period	872,997	1,401,344
<b>Cash and cash equivalents at the end of the period</b>	<u><u>392,831</u></u>	<u><u>800,410</u></u>

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

For NBP Fullerton Asset Management Limited  
(Management Company)

Chief Executive

Director

# NAFA GOVERNMENT SECURITIES LIQUID FUND

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2011 (UN-AUDITED)

### 1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Government Securities Liquid Fund (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited (NAFA) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on April 10, 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 The Mutual Fund Association of Pakistan (MUFAP).

The Fund is an open-ended mutual fund and is listed on the Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units of the Fund can be transferred to / from the Funds managed by the Management Company and can also be redeemed by surrendering to the Fund. The Fund is categorized as an Open-End "Money Market Scheme" as per the criteria laid down by Securities and Exchange Commission of Pakistan for categorization of Collective Investment Schemes (CIS).

The objective of the Fund is to generate optimal return with minimum risk, to provide easy liquidity and reasonable income to its unit holders by investing primarily in short-term Government Securities.

Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM2- (Positive outlook) to the Management Company and a short-term rating of AAA (f) to the Fund based on the performance for the year ended June 30, 2010.

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

### 2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprises of such International Financial Reporting Standards (IFRS) issued by 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 Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by 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.

- 2.1 The directors of the Asset Management Company declare that these condensed interim financial statements give a true and fair view of the Fund.

# NAFA GOVERNMENT SECURITIES LIQUID FUND

## 3 SUMMARY OF ACCOUNTING POLICIES

The principal accounting policies adopted for the preparation of the financial statements for the quarter ended September 30, 2011 are same as those applied in the preparation of annual audited financial statements for the year ended June 30, 2011 except following change in accounting policy of recognition of element of income.

### 3.1 Change in Accounting Policy on Recognition of Element of Income

Based on the proposal by MUFAP on the change in the treatment of "Element of Income and Capital Gains included in the prices of units issued less those on units redeemed" and subsequent correspondence by SECP and opinion by ICAP in this regard, the accounting treatment of recognition of element of income has been changed with effect from July 1, 2011. Accordingly, instead of following previous policy of recognizing element of income, the net balance of element of income is recognized in the Distribution Statement directly.

Note	Un-audited September 30, 2011	Audited June 30, 2011
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Rupees in '000

## 4 INVESTMENTS

### At fair value through profit or loss - held for trading

Government securities - Market Treasury Bills

4.1	6,864,264	7,918,819
	<u>6,864,264</u>	<u>7,918,819</u>

### 4.1 Investment in government securities - 'at fair value through profit or loss'

Issue Date	Tenor	Face value				Market value as at September 30, 2011	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2011	Purchases during the period	Sales / matured during the period	As at September 30, 2011			
-----Rupees in '000-----								
Market Treasury Bills							%	
April 21, 2011	3 months	137,500	200,000	337,500	-			
May 05, 2011	3 months	1,870,000	50,000	1,920,000	-			
January 27, 2011	6 months	700,000	-	700,000	-			
May 19, 2011	3 months	2,108,500	90,000	2,198,500	-			
February 02, 2011	6 months	489,500	-	489,500	-			
February 10, 2011	6 months	718,500	-	718,500	-			
June 02, 2011	3 months	210,000	375,000	585,000	-			
March 10, 2011	6 months	400,000	2,140,000	2,540,000	-			
March 24, 2011	6 months	300,000	550,000	850,000	-			
June 16, 2011	3 months	987,000	300,000	1,287,000	-			
June 30, 2011	3 months	125,000	-	125,000	-			
April 07, 2011	6 months	-	2,580,000	2,300,000	280,000	279,383	2.71	4.07
July 14, 2011	3 months	-	225,000	150,000	75,000	74,835	0.73	1.09
April 21, 2011	6 months	-	1,095,000	650,000	445,000	441,759	4.28	6.44
July 28, 2011	3 months	-	300,000	-	300,000	297,815	2.89	4.34
February 24, 2011	6 months	-	40,000	40,000	-	-	-	-
May 05, 2011	6 months	-	1,600,000	400,000	1,200,000	1,185,249	11.49	17.27
August 11, 2011	3 months	-	775,000	150,000	625,000	617,317	5.99	8.99
June 02, 2011	6 months	-	2,100,000	350,000	1,750,000	1,711,481	16.60	24.93
May 19, 2011	6 months	-	1,875,000	-	1,875,000	1,842,769	17.87	26.85
June 16, 2011	6 months	-	425,000	-	425,000	413,656	4.01	6.03
						<u>6,864,264</u>	<u>66.56</u>	<u>100.00</u>
						<u>6,868,313</u>		

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

# NAFA GOVERNMENT SECURITIES LIQUID FUND

	Un-audited September 30, 2011	Audited June 30, 2011
	Rupees in '000	
<b>5 PROFIT RECEIVABLE</b>		
Profit on savings deposits	860	851
Profit on money market placements	43,618	32,407
Profit on term deposit receipts	48,468	22,482
	<u>92,946</u>	<u>55,740</u>
<b>6 ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditors' remuneration payable	380	256
Payable to brokers	407	318
Bank charges	22	99
Provision for workers' welfare fund	39,360	32,424
Others	956	380
	<u>41,125</u>	<u>33,477</u>

## 7 TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include NBP Fullerton Asset Management Limited being the Management Company (NAFA), Central Depository Company of Pakistan Limited (CDC) being 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, other collective investment schemes managed by the Management Company and directors and officers of the Management Company.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration payable to the Trustee is determined in accordance with the provisions of the Trust Deed.

# NAFA GOVERNMENT SECURITIES LIQUID FUND

Quarter Ended September 30, 2011	Quarter Ended September 30, 2010
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Rupees in '000

## 7.1 Details of the transactions with connected persons are as follows:

### Management Company

Management fee expense for the period	37,788	22,239
Units issued (Nil units; September 30, 2010: 489,074 units)	-	5,000
Units redeemed (1,191,021 units; September 30, 2010: 489,074 units)	12,107	5,022
Bonus units issued (34,679 units; September 30, 2010: Nil units)	-	-

### National Bank of Pakistan - Sponsor

Cash Dividend	5,772	750
T-Bills purchased during the period	-	99,576

### Alexandra Fund Management Pte. Limited - Sponsor

Bonus units issued (113,690 units; September 30, 2010: 108,894 units)	-	-
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### Central Depository Company of Pakistan Limited - Trustee

Trustee fee for the period	2,456	1,523
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### Kamal A Chinoy - Director

Bonus units issued (2,990 units; September 30, 2010: Nil units)	-	-
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### Chief Executive Officer

Units redeemed (138,263 units; September 30, 2010: Nil units)	1,400	-
Bonus units issued (28,771 units; September 30, 2010: 75 units)	-	-

### Chief Financial Officer

Units issued (19,773 units; September 30, 2010: Nil units)	200	-
Units redeemed (9,848 units; September 30, 2010: Nil units)	100	-
Bonus units issued (1,957 units; September 30, 2010: Nil units)	-	-

### NAFA Provident Fund Trust - Provident Fund

Units issued (527,349 units; September 30, 2010: 331,849 units)	5,341	3,366
Units redeemed (575,994 units; September 30, 2010: 440,961 units)	5,842	4,492
Bonus units issued (19,961 units; September 30, 2010: 10,375 units)	-	-

### Employees of the Management Company

Units issued (1,853,165 units; September 30, 2010: 954,982 units)	18,814	9,694
Units redeemed (1,893,088 units; September 30, 2010: 898,062 units)	19,230	9,136
Bonus units issued (48,600 units; September 30, 2010: 26,702 units)	-	-

### NBP Employees Pension Fund

Bonus units issued (535,764 units; September 30, 2010: Nil units)	-	-
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### NBP Endowment Funds Students Loan Scheme

Units issued (2,464,778 units; September 30, 2010: Nil units)	25,000	-
Bonus units issued (653,088 units; September 30, 2010: Nil units)	-	-

### NBP Exchange Company Limited

Units issued (26,427 units; September 30, 2010: Nil units)	267	-
Bonus units issued (934,038 units; September 30, 2010: Nil units)	-	-

### NBP Leasing Limited Employees Provident Fund

Units issued (45,692 units; September 30, 2010: Nil units)	465	-
Bonus units issued (725 units; September 30, 2010: Nil units)	-	-

# NAFA GOVERNMENT SECURITIES LIQUID FUND

	Un-audited September 30, 2011	Audited June 30, 2011
	Rupees in '000	
<b>7.2 Amounts outstanding as at quarter end</b>		
<b>Management Company</b>		
Receivable from management company	6,980	6,980
Management fee payable	12,213	11,190
Other payable	1,954	31
Investment held by the Management Company in the Fund (17,435 units; June 30, 2011: 1,173,777 units)	178	12,160
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	794	732
<b>National Bank of Pakistan - Sponsor</b>		
Investment held by the Sponsor in the Fund (12,622,046 units; June 30, 2011: 12,622,046 units)	128,605	130,757
Balance in current account	6,932	13,464
<b>Alexandra Fund Management Pte. Limited - Sponsor</b>		
Investment held by the Sponsor in the Fund (2,591,004 units; June 30, 2011: 2,477,314 units)	26,399	25,663
<b>Chief Executive Officer</b>		
Investment held by the Chief Executive Officer in the Fund (530,954 units; June 30, 2011: 640,446 units)	5,410	6,635
<b>Chief Financial Officer</b>		
Investment held by the Chief Financial Officer in the Fund (50,635 units; June 30, 2011: 38,752 units)	516	401
<b>Kamal A Chinoy - Director</b>		
Investment held by the Chief Financial Officer in the Fund (68,151 units; June 30, 2011: Nil units)	694	-
<b>NAFA Provident Fund Trust - Provident Fund</b>		
Investment held in the Fund (386,832 units; June 30, 2011: 415,516 units)	3,941	4,304
<b>Employees of Management Company</b>		
Investment held by the employees in the Fund (945,166 units; June 30, 2011: 936,489 units)	9,630	9,701
<b>NBP Employees Pension Fund</b>		
Investment held in the Fund (12,210,109 units; June 30, 2011: 11,674,345 units)	124,408	120,939
<b>NBP Endowment Funds Students Loan Scheme</b>		
Investment held in the Fund (16,378,884 units; June 30, 2011: 13,261,018 units)	166,883	137,376
<b>NBP Exchange Company Limited</b>		
Investment held in the Fund (21,308,137 units; June 30, 2011: 20,347,672 units)	217,106	210,790
<b>NBP Leasing Limited Employees Provident Fund</b>		
Investment held in the Fund (53,211 units; June 30, 2011: 6,975 units)	542	70
<b>NAFA Asset Allocation Fund</b>		
Receivable against transfer sales	-	303

# NAFA GOVERNMENT SECURITIES LIQUID FUND

## 8 EARNING PER UNIT

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

## 9 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, 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 period as the management company has decided to distribute at least 90 percent of the Fund's accounting income for the period as reduced by capital gains (whether realised or unrealised) to its unit holders.

## 10 COMMITMENTS

There were no commitments as on September 30, 2011 and June 30, 2011.

## 11 NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the Management Company in their meeting held on October 27, 2011 has ratified an interim monthly distribution at the rate of 0.908%. The financial statements of the Fund for the quarter ended September 30, 2011 do not include the effect of this distribution which will be accounted for in the financial statements of the Fund for the half year ending December 31, 2011.

## 12 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 27, 2011.

## 13 GENERAL

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

For NBP Fullerton Asset Management Limited  
(Management Company)

Chief Executive

Director