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

NAFA GOVERNMENT SECURITIES SAVINGS FUND

HALF YEARLY REPORT

**December
31 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 GOVERNMENT SECURITIES 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. Foo Chiah Shiung (Kelvin Foo)	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. Foo Chiah Shiung (Kelvin Foo)	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 Shakra-e-Faisal, Karachi.

Bankers to the Fund

Allied Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
NIB Bank Limited
United Bank Limited
National Bank of Pakistan
Summit Bank Limited
JS Bank Limited
Khushhali Bank Limited
Sindh Bank Limited
Samba Bank Limited
Dubai Islamic Bank Pakistan Limited
Bankislami Pakistan Limited
Zarai Taraqiati Bank Limited
MCB Bank Limited

NAFA GOVERNMENT SECURITIES SAVINGS FUND

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No.02
Beaumont Road,
Karachi - 75530, Pakistan.

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: 111-111-NFA (111-111-632)
Helpline (Toll Free): 0800-20001
Fax: (021) 35825329

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:

Opposite Gul Haji Plaza, 2nd Floor
National Bank Building
University Road Peshawar,
UAN: 091-111 111 632 (nfa)
Fax: 091-5703202

Multan Office:

NBP City Branch, Hussain-a-Gahi, Multan.
Phone No: 061-4502204
Fax No: 061-4502203

NAFA GOVERNMENT SECURITIES SAVINGS FUND

DIRECTORS' REPORT

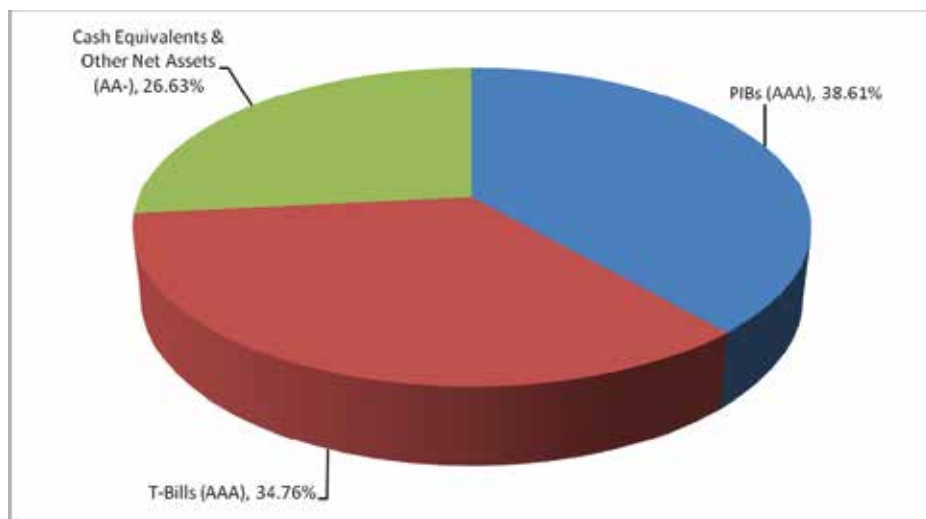
The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the reviewed financial statements of **NAFA Government Securities Savings Fund (NGSSF)** for the half year ended December 31, 2016.

Fund's Performance

The size of NAFA Government Securities Savings Fund has declined from Rs. 304 million to Rs. 158 million during the period, a decline of 48%. During the period, the unit price of the Fund has increased from Rs. 10.2882 on June 30, 2016 to Rs. 10.5406 on December 31, 2016, thus showing return of 4.9% as compared to the benchmark return of 5.7% for the same period. The performance of the Fund is net of management fee and all other expenses. The Fund has been assigned a stability rating of 'AA- (f)' by PACRA.

State Bank of Pakistan (SBP) maintained discount rate and policy rate at 6.25% and 5.75% respectively during the period under review. SBP cited improvement in macroeconomic stability, comfortable liquidity conditions coupled with healthy reserve accumulation, manageable inflationary backdrop, and CPEC related projects gathering momentum being balanced against latent risks to external accounts/factors. However, there are risks to the external account emanating from expected increase in commodity/global oil prices, confluence of declining remittances, challenged exports outlook and mounting external debt levels that may imperil the medium-term sustainability of the Balance of Payments position and warrant decisive policy action. Long-term sovereign yields witnessed an average increase of around 50 basis points, reflecting an uptick in inflation and interest rates.

The Fund has earned total income of Rs.5.35 million during the period. After deducting expenses of Rs.1.56 million, the net income is Rs.3.79 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NGSSF.



NAFA GOVERNMENT SECURITIES 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: February 28, 2017
Place: Karachi.

ڈائریکٹرز رپورٹ

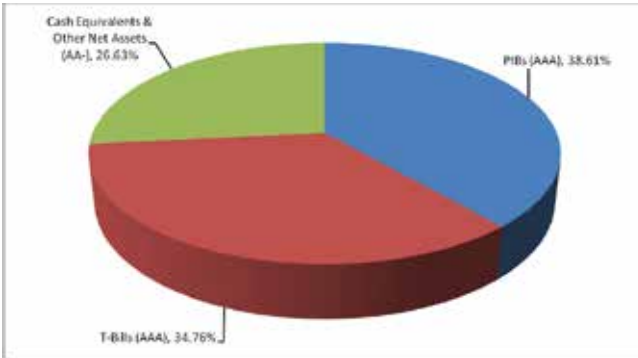
NBP فلٹرن ایسیٹ منجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 دسمبر 2016ء کو ختم ہونے والی ششماہی کے لیے NAFA گورنمنٹ سیکیورٹیز سیونگز فنڈ (NGSSF) کے جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

NAFA گورنمنٹ سیکیورٹیز سیونگز فنڈ کا فنڈ سا سز اس مدت کے دوران 304 ملین روپے سے گھٹ کر 158 ملین روپے تک پہنچ گیا ہے، یعنی 48% کمی۔ اس مدت کے دوران اینٹ کی قیمت 30 جون 2016 کو 10.2882 روپے سے بڑھ کر 31 دسمبر 2017 کو 10.5406 روپے تک پہنچ چکی ہے، لہذا اسی مدت کے لیے اپنے ہیٹج مارک منافع 5.7% کے مقابلے میں 4.9% منافع درج کرایا۔ فنڈ کی کارکردگی منجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ اس فنڈ کو PACRA کی طرف سے A-(f) کی اسٹیٹیلٹی ریٹنگ دی گئی ہے۔

اسٹیٹ بینک آف پاکستان (SBP) نے مذکورہ بالا مدت کے دوران ڈسکاؤنٹ ریٹ اور پالیسی ریٹ بالترتیب 6.25% اور 5.75% برقرار رکھی۔ SBP کے منوقت کے مطابق مستحکم کلیاتی معیشت، لیکویڈیٹی کی باسہولت صورت حال کے ساتھ زرمبادلہ کے ذخیرہ میں خاطر خواہ اضافہ، محدود افراط زر اور CPEC سے متعلقہ منصوبے بیرونی اکاؤنٹ اور عوامل کے پوشیدہ خطرات سے تیز و آذما ہونے کے لئے برسر پیکار ہیں۔ تاہم بیرونی اکاؤنٹ کو عالمی تیل اور ایشیا صرف کی قیمتوں میں متوقع اضافہ، گرتی ہوئی ترسیلات، برآمدات سے متعلق چیلنجز اور بڑھتی ہوئی بیرونی قرض کی سطح سے خطرات لاحق ہیں جو کہ ادائیگی کے توازن کو وسط مدتی دورانیہ میں متاثر کر سکتا ہے جس کے لئے منصوبہ سازی کی ضرورت ہوگی۔ طویل المیعاد خود مختار منافع میں تقریباً 50 بیس پوائنٹ کا اوسط اضافہ دیکھا گیا، جو افراط زر اور سود کی شرح میں معتدل اضافے کی عکاسی کرتا ہے۔

فنڈ نے اس مدت کے دوران 5.35 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 1.56 ملین روپے کے اخراجات کو منہا کرنے کے بعد خالص آمدنی 3.79 ملین روپے ہے۔ درج ذیل چارٹ NGSSF کی ایسیٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:



اظہارِ تشکر

بورڈ اس موقع کا فائدہ اٹھاتے ہوئے منجمنٹ کمپنی پر اعتماد اور اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابلِ قدر پونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سکیورٹیز اینڈ ایکسچینج 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 آرٹسٹ 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 ایسٹ منجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

بتاریخ

2017 فروری

مقام: کراچی

TRUSTEE REPORT TO THE UNIT HOLDERS NAFA GOVERNMENT SECURITIES SAVINGS FUND

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

We, Central Depository Company of Pakistan Limited, being the Trustee of NAFA Government Securities Savings Fund (the Fund) are of the opinion that NBP Fullerton Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2016 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.

Aftab Ahmed Diwan
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 27, 2017

NAFA GOVERNMENT SECURITIES SAVINGS FUND

Report on review of Condensed Interim Financial Information to the Unit Holders

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NAFA Government Securities Savings Fund** ("the Fund") as at 31 December 2016 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the accounts for the six months period then ended (here-in-after referred to as the "interim financial information"). Management Company is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting.

Other matter

The figures for the three months period ended 31 December 2016 in the condensed interim financial information have not been reviewed and we do not express a conclusion on them.

Date: February 28, 2017

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants
Muhammad Nadeem

NAFA GOVERNMENT SECURITIES SAVINGS FUND

Condensed Interim Statement of Assets and Liabilities As at 31 December 2016

	Note	31 December 2016 Unaudited	30 June 2016 Audited
(Rupees in '000)			
Assets			
Bank balances	6	98,087	69,130
Investments	7	115,994	249,698
Profit receivables		3,125	4,102
Receivable against conversion of units		-	700
Deposit and prepayments		762	227
Total assets		<u>217,968</u>	<u>323,857</u>
Liabilities			
Payable to NBP Fullerton Asset Management Limited - Management Company	8	2,623	2,912
Payable to Central Depository Company of Pakistan Limited - Trustee	9	56	71
Payable to Securities and Exchange Commission of Pakistan		74	275
Payable against purchase of investments		54,991	-
Payable against conversion of units		-	11,748
Accrued expenses and other liabilities	10	2,125	4,942
Total liabilities		<u>59,869</u>	<u>19,948</u>
Net assets		<u>158,099</u>	<u>303,909</u>
Unit holders' fund (as per statement attached)		<u>158,099</u>	<u>303,909</u>
Contingencies and commitments	11		
(Number of units)			
Number of units in issue		<u>14,999,121</u>	<u>29,539,643</u>
(Rupees)			
Net assets value per unit		<u>10.5406</u>	<u>10.2882</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA GOVERNMENT SECURITIES SAVINGS FUND

Condensed Interim Income Statement (Unaudited) For the six and three months period ended 31 December 2016

	Note	Six months period ended		Three months period ended	
		2016	2015	2016	2015
------(Rupees in '000)-----					
Income					
Income from Market Treasury Bills		2,779	7,034	778	4,374
Income from Pakistan Investment Bonds		3,183	3,841	1,598	1,585
Profit on bank deposits		1,822	2,977	912	1,030
(loss) / Gain on sale of investments - net		(20)	1,403	(10)	(243)
Net unrealised (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	7.3	(1,465)	(235)	(741)	(784)
Total income		<u>6,299</u>	<u>15,020</u>	<u>2,537</u>	<u>5,962</u>
Expenses					
Remuneration of NBP Fullerton Asset Management Limited - Management Company	8.1	562	1,706	222	805
Sindh Sales Tax on remuneration of Management Company	8.2	73	277	29	131
Federal Excise Duty on remuneration of Management Company	8.3	-	273	-	129
Remuneration of Central Depository Company of Pakistan Limited - Trustee		167	304	65	151
Sindh Sales Tax on remuneration of Trustee	9.1	22	43	9	22
Annual fee - Securities and Exchange Commission of Pakistan		74	134	29	66
Allocation of expenses related to registrar services, accounting, operation and valuation services	8.4	98	35	38	35
Auditors' remuneration		295	221	175	84
Securities transaction cost		-	12	-	1
Settlement and bank charges		73	85	41	(6)
Listing fee		22	20	12	10
Legal & Professional charges		9	-	9	-
Mutual fund rating fee		125	116	33	58
Printing & Other charges		42	31	14	4
Total expenses		<u>1,562</u>	<u>3,257</u>	<u>676</u>	<u>1,490</u>
Net income from operating activities		<u>4,737</u>	<u>11,763</u>	<u>1,861</u>	<u>4,472</u>
Element of income / (loss) and capital gains (losses) included in prices of units issued less those in units redeemed - net		(951)	(286)	142	(913)
Provision for Workers' Welfare Fund	10.1	-	-	-	-
Net income for the period before taxation		<u>3,786</u>	<u>11,477</u>	<u>2,003</u>	<u>3,559</u>
Taxation	12	-	-	-	-
Net income for the period		<u><u>3,786</u></u>	<u><u>11,477</u></u>	<u><u>2,003</u></u>	<u><u>3,559</u></u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA GOVERNMENT SECURITIES SAVINGS FUND

Condensed Interim Statement of Comprehensive Income (Unaudited) For the six and three months period ended 31 December 2016

	<u>Six months period ended</u>		<u>Three months period ended</u>	
	2016	2015	2016	2015
	------(Rupees in '000)-----			
Net income for the period	3,786	11,477	2,003	3,559
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>3,786</u>	<u>11,477</u>	<u>2,003</u>	<u>3,559</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA GOVERNMENT SECURITIES SAVINGS FUND

Condensed Interim Distribution Statement (Unaudited) For the six and three months period ended 31 December 2016

	<u>Six months period ended</u>		<u>Three months period ended</u>	
	2016	2015	2016	2015
	------(Rupees in '000)-----			
Undistributed income brought forward comprising:				
- Realised income	35,676	62,780	41,192	46,086
- Unrealised income	<u>3,009</u>	<u>4,128</u>	<u>(724)</u>	<u>549</u>
	<u>38,685</u>	<u>66,908</u>	<u>40,468</u>	<u>46,635</u>
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - amount representing income / (loss) that form part of the unit holders' fund - net	-	-	-	-
Final cash distribution for the year ended 30 June 2016: Nil (2015: 11.104%)	-	(28,191)	-	-
Net income for the period	<u>3,786</u>	<u>11,477</u>	<u>2,003</u>	<u>3,559</u>
Undistributed income carried forward	<u><u>42,471</u></u>	<u><u>50,194</u></u>	<u><u>42,471</u></u>	<u><u>50,194</u></u>
Undistributed income carried forward comprising:				
- Realised income	43,936	50,429	43,936	50,429
- Unrealised (loss) / income	<u>(1,465)</u>	<u>(235)</u>	<u>(1,465)</u>	<u>(235)</u>
	<u><u>42,471</u></u>	<u><u>50,194</u></u>	<u><u>42,471</u></u>	<u><u>50,194</u></u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA GOVERNMENT SECURITIES SAVINGS FUND

Condensed Interim Statement of Movement in Unit Holders' Fund (Unaudited) For the six and three months period ended 31 December 2016

	<u>Six months period ended</u>		<u>Three months period ended</u>	
	2016	2015	2016	2015
	------(Rupees in '000)-----			
Net assets at beginning of the period [Rs. 10.2822 per unit (2015: Rs. 11.3972 per unit)]	303,909	545,763	150,299	369,852
Issue of 7,742,607 (2015: 31,374,290 units)	80,995	332,137	68,989	40,975
Redemption of 22,283,129 (2015: 47,055,423 units)	(231,542)	(518,641)	(63,050)	(72,468)
	(150,547)	(186,504)	5,939	(31,493)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net				
- amount representing loss transferred to condensed interim income statement	951	286	(142)	913
- amount representing income transferred to condensed interim distribution statement	-	-	-	-
Net unrealised (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(1,465)	(235)	(741)	(784)
(loss) / Gain on sale of investments - net	(20)	1,403	(10)	(243)
Other net income for period	5,271	10,309	2,754	4,586
Total comprehensive income for the period	3,786	11,477	2,003	3,559
Final cash distribution for the year ended 30 June 2016: Nil (2015: 11.104%)	-	(28,191)	-	-
Net assets at end of the period [Rs. 10.5406 per unit (2015: Rs. 10.6455 per unit)]	<u>158,099</u>	<u>342,831</u>	<u>158,099</u>	<u>342,831</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA GOVERNMENT SECURITIES SAVINGS FUND

Condensed Interim Cash Flow Statement (Unaudited) For the six and three months period ended 31 December 2016

	Note	<u>Six months period ended</u>		<u>Three months period ended</u>	
		2016	2015	2016	2015
------(Rupees in '000)-----					
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation		3,786	11,477	2,003	3,559
Adjustments:					
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		1,465	235	741	784
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net		951	286	(142)	913
		<u>6,202</u>	<u>11,998</u>	<u>2,602</u>	<u>5,256</u>
Decrease / (increase) in assets					
Investments - net		132,239	79,346	646	23,388
Profit receivables		977	1,135	(1,638)	(1,389)
Receivable against conversion of units		700	-	700	-
Deposit and prepayments		(535)	96	46	68
		<u>133,381</u>	<u>80,577</u>	<u>(246)</u>	<u>22,067</u>
Increase / (decrease) in liabilities					
Payable to NBP Fullerton Asset Management Limited - Management Company		(289)	(1,200)	(155)	73
Payable to Central Depository Company of Pakistan Limited - Trustee		(15)	(66)	29	(2)
Payable to Securities and Exchange Commission of Pakistan		(201)	(519)	29	66
Payable against purchase of investments		54,991	(9,176)	54,991	89,954
Payable against conversion of units		(11,748)	-	(11,748)	-
Accrued expenses and other liabilities		(2,817)	(1,536)	(222)	(1,423)
		<u>39,921</u>	<u>(12,497)</u>	<u>42,924</u>	<u>88,668</u>
Net cash generated from operating activities		<u>179,504</u>	<u>80,078</u>	<u>45,280</u>	<u>115,991</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Amounts received on issue of units		80,995	402,591	68,289	40,974
Payments against redemption of units		(231,542)	(541,098)	(51,310)	(72,491)
Distribution paid		-	(28,191)	-	-
Net cash (used in) financing activities		<u>(150,547)</u>	<u>(166,698)</u>	<u>16,979</u>	<u>(31,517)</u>
Net increase / (decrease) in cash and cash equivalents during the period		<u>28,957</u>	<u>(86,620)</u>	<u>62,259</u>	<u>84,474</u>
Cash and cash equivalents at beginning of the period		69,130	242,065	35,828	70,971
Cash and cash equivalents at end of the period	6	<u>98,087</u>	<u>155,445</u>	<u>98,087</u>	<u>155,445</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA GOVERNMENT SECURITIES SAVINGS FUND

Notes to and forming part of the Condensed Interim Financial Information For the six and three months period ended 31 December 2016

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NAFA Government Securities 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 05 June 2014 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 30 May 2014 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2 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 No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also the member of the Mutual Funds Association of Pakistan (MUFAP).
- 1.3 The Fund is an open-ended mutual fund and is listed on the Pakistan 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 Fund is categorized as an "Income Scheme" as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorization of Collective Investment Schemes (CIS).
- 1.4 The objective of the Fund is to provide unit holders with competitive return from portfolio of low credit risk securities by investing primarily in government securities.
- 1.5 The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of AM2++ to the Management Company and stability rating of 'AA-(f)' to the Fund.

- 1.6 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 requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, 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 Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of the IFRS, the requirements of the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

- 2.1.1 This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund as at and for the year ended 30 June 2016. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last financial statements.
- 2.1.2 This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (2) (f) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations).

2.2 Functional and presentation currency

This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest thousand of rupees except otherwise stated.

NAFA GOVERNMENT SECURITIES SAVINGS FUND

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended 30 June 2016.

4 USE OF JUDGEMENTS AND ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual result may differ from these estimates.

The significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2016.

5 FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2016.

6 BANK BALANCES

Note	31 December 2016 Unaudited	June 30, 2016 (Audited)
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(Rupees in '000)

In current accounts		230	278
In savings accounts	6.1 & 6.2	97,857	68,852
		<u>98,087</u>	<u>69,130</u>

6.1 These accounts carry rates of return ranging from 3.75% to 8.00% per annum (30 June 2016: 4.50% to 9.00%).

6.2 This includes an amount of Rs. 0.919 million on account of redemption of units and Rs. 0.003 million on account of issuance of units relating to various funds under management against switching of units at close of financial period which have been cleared subsequently.

7 INVESTMENTS

Financial assets 'at fair value through profit or loss' - held for trading

Note	31 December 2016 Unaudited	June 30, 2016 (Audited)
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(Rupees in '000)

Government Securities

Market Treasury Bills	7.1	54,956	165,820
Pakistan Investment Bonds	7.2	61,038	58,878
		<u>115,994</u>	<u>224,698</u>

Loans and receivables

Term Deposit Receipts		-	25,000
		<u>115,994</u>	<u>249,698</u>

NAFA GOVERNMENT SECURITIES SAVINGS FUND

7.1 Market Treasury Bills

Issue date	Tenor	Face Value				Market value as at December 31, 2016	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2016	Purchases during the period	Sales/ matured during the period	As at December 31, 2016			
-----Rupees in '000-----								
6 August 15	12 Months	50,000	-	50,000	-	-	-	-
20 August 15	12 Months	-	30,000	30,000	-	-	-	-
29 October 15	12 Months	-	10,000	10,000	-	-	-	-
21 January 16	12 Months	70,000	-	70,000	-	-	-	-
4 February 16	12 Months	50,000	-	50,000	-	-	-	-
11 July 16	3 Months	-	70,000	70,000	-	-	-	-
18 August 16	3 Months	-	30,000	30,000	-	-	-	-
27 October 16	3 Months	-	10,000	10,000	-	-	-	-
10 November 16	3 Months	-	12,000	12,000	-	-	-	-
9 June 16	6 Months	-	55,000	55,000	-	-	-	-
8 December 16	3 Months	-	30,000	30,000	-	-	-	-
23 June 16	6 Months	-	30,000	30,000	-	-	-	-
14 April 16	12 Months	-	15,000	15,000	-	-	-	-
11 July 16	6 Months	-	55,000	-	55,000	54,956	34.76	47.38
Total		170,000	347,000	462,000	55,000	54,956	34.76	47.38
Carrying cost before fair value adjustment as at 31 December 2016						54,983		

7.1.1 These carry rate of return ranging from 5.78 % to 6.45% per annum (30 June 2016: 5.80% to 8.00%).

7.2 Pakistan Investment Bonds

Issue date	Tenor	Face Value				Market value as at December 31, 2016	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2016	Purchases during the period	Sales/ matured during the period	As at December 31, 2016			
-----Rupees in '000-----								
17 July 2014	3 Years	55,900	3,500	-	59,400	61,038	38.61	52.62
Total		55,900	3,500	-	59,400	61,038	38.61	52.62
Carrying cost before fair value adjustment as at 31 December 2016						62,476		

7.2.1 These carry rate of return ranging from 6.20% to 8.00% per annum (30 June 2016: 7.31% to 8.00%).

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

Note	31 December 2016	31 December 2015	
	Unaudited (Rupees in '000)		
Market value / Carrying value of investments	7.1 & 7.2	115,994	279,193
Less: carrying cost of investments	7.1 & 7.2	(117,459)	(279,428)
		<u>(1,465)</u>	<u>(235)</u>
		31 December 2016	June 30, 2016
		Unaudited	(Audited)

8 PAYABLE TO NBP FULLERTON ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

		(Rupees in '000)	
	Note	31 December 2016	June 30, 2016 (Audited)
Management remuneration	8.1	95	186
Sindh sales tax	8.2	13	30
Federal Excise Duty	8.3	1,864	1,864
Sales and transfer load		103	145
Sindh sales tax and Federal Excise Duty on sales load		405	420
Allocation of expenses related to registrar services, accounting, operation and valuation services	8.4	98	222
Other payable		45	45
		<u>2,623</u>	<u>2,912</u>

NAFA GOVERNMENT SECURITIES SAVINGS FUND

- 8.1 Under the revised Non-Banking Finance Companies & Notified Entities Regulations 2008, notified on 25 November 2015, the Management Company of the Fund is entitled to a remuneration of an amount not exceeding 1.5 percent of average annual net assets. Effective from 7 December 2015, the Management Company has charged its remuneration at the rate of 10% of net income of the Fund subject to Upper Cap of 1% and Lower Cap of 0.5% of the average net assets of the Fund.
- 8.2 The Sindh Provincial Government levied Sindh Sales Tax at the rate of 13% on the remuneration of the Management Company through Sindh Sales Tax on Services Act, 2011, effective from 1 July 2016 (30 June 2016: 14%)
- 8.3 As per the requirement of Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the "remuneration of the Management Company has been applied effective 13 June 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law.

The Honorable Sindh High Court (SHC) through its recent order dated 2 June 2016, in CPD-3184 of 2014 (and others) filed by various taxpayers, has inter alia declared that Federal Excise Act 2005 (FED Act) is on services, other than shipping agents and related services, is ultra vires to the Constitution from 01 July 2011. However, the declaration made by the Honorable Court, as directed, will have effect in the manner prescribed in the judgment. The Sindh High Court in its decision dated 16 July 2016 in respect of constitutional petition filed by management companies of mutual funds maintained the previous order on the FED.

Sindh Revenue Board and Federal Board of Revenue have filed appeals before Honorable Supreme Court against the Sindh High Court's decision dated 2 June 2016. Therefore, as a matter of abundant caution, without prejudice to the above, the Management Company has made a provision with effect from 13 June 2013, aggregating to Rs. 1.864 million. Had the provision not been made, the Net Assets Value (NAV) per unit of the Fund as at 31 December 2016 would have been higher by Rs. 0.1243 per unit (30 June 2016: Rs. 0.0631 per unit). However, after the exclusion of the mutual funds from federal statute on FED from 1 July 2016, the Fund has discontinued making the provision in this regard.

- 8.4 Securities and Exchange Commission of Pakistan through its SRO 1160(I)/2015 dated 25 November 2015 has revised the Non-Banking Finance Companies and Notified Entities Regulations, 2008. In the revised regulations a new clause 60(s) has been introduced allowing the management company to charge fees and expenses related to registrar services, accounting, operation and valuation services related to CIS maximum up to 0.1% of average annual net assets of the Scheme or actual whichever is less from the mutual funds managed by it. The allocation of expenses relating to registrar services, accounting, operations and valuation services at 0.1% of average net annual assets of the Fund has been charged with effect from 25 November 2015.

Note	31 December 2016 Unaudited	June 30, 2016 (Audited)
9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	(Rupees in '000)	
Trustee remuneration	24	53
Settlement charges	29	11
Sindh Sales Tax	9.1 3	7
	<u>56</u>	<u>71</u>

- 9.1 The Sindh Provincial Government levied Sindh Sales Tax at the rate of 13% on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011, effective from 1 July 2016 (30 June 2016: 14%)

NAFA GOVERNMENT SECURITIES SAVINGS FUND

	Note	31 December 2016 Unaudited	June 30, 2016 (Audited)
10 ACCRUED EXPENSES AND OTHER LIABILITIES		(Rupees in '000)	
Provision for Workers' Welfare Fund	10.1	1,619	1,619
Auditors' remuneration		280	330
Printing charges		59	84
Withholding tax		11	2,564
Capital gain tax		84	275
Legal and professional charges		11	23
Brokerage Payable		-	8
Bank charges		61	39
		2,125	4,942

- 10.1** The Finance Act, 2008 introduced amendments to the Workers' Welfare Fund (WWF) Ordinance, 1971 whereby the definition of industrial establishment was extended. The amendments were challenged at various levels and conflicting judgments were rendered by the Lahore High Court, Sindh High Court and Peshawar High Court. The Honourable Supreme Court of Pakistan vide its judgment dated 10 November 2016, has upheld the view of Lahore High Court and decided that WWF is not a tax and hence the amendments introduced through Finance Act, 2008 are ultra-vires to the Constitution. The Federal Board of Revenue has filed Civil Review Petitions in respect of above judgment with the prayer that the judgment dated 10 November 2016 passed in the Civil Appeal may kindly be reviewed in the interest of justice.

Furthermore, the Sindh Revenue Board (SRB) had written to few mutual funds in January 2016 to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after 31 December 2013. MUFAP reviewed the issue and based on an opinion decided that SWWF is not applicable on mutual funds as they are not financial institutions as required by SWWF Act, 2014. MUFAP wrote to SRB that mutual funds are not establishments and are pass through vehicles hence, they do not have any worker and no SWWF is payable by them. SRB responded back that as mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001, therefore SWWF is applicable on mutual funds. MUFAP has taken up this matter before the Sindh Finance Ministry to exclude mutual funds from SWWF.

In view of the above developments regarding the applicability of WWF and SWWF on CISs / mutual funds and considering the legal opinion obtained on these matters, MUFAP has recommended the following to all its members on 12 January 2017:

- The entire provision against the Federal WWF held by the CISs till 30 June 2015, to be reversed on 12 January 2017; and
- The provision in respect of Sindh WWF should be made on a prudent basis on 12 January 2017 with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from 21 May 2015).

Accordingly, the provision for SWWF is being made on a daily basis going forward.

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on 12 January 2017 and the SECP vide its letter dated 1 February 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs / mutual funds. Accordingly, reversal of provision for WWF amounted to Rs. 1.619 million upto 31 December 2016 and recording of provision for SWWF of Rs. 0.353 million upto 31 December 2016 have been made on 12 January 2017. The net effect of these adjustments as at 31 December 2016 amounted to Rs. 1.268 million.

Had above adjustments been made on 31 December 2016 the net assets value per unit of the Fund would have been higher by Rs. 0.0846.

11 CONTINGENCY AND COMMITMENT

There was no contingency and commitment as at 31 December 2016 (30 June 2016: Nil).

NAFA GOVERNMENT SECURITIES SAVINGS FUND

12 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains / loss to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute in cash at least 90 percent of the Fund's accounting income for the year ending 30 June 2017 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

13 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses incurred during the period divided by Average net assets value for the period) is 1.60% p.a. including 0.17% representing government levies on Collective Investment scheme such as Sales tax, Worker's Welfare Fund and Securities & Exchange Commission of Pakistan fee for the period

14 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

14.1 Connected persons include NBP Fullerton Asset Management Limited being the Management Company (NAFA), Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Alexandra Fund Management Pte. Limited being the sponsors, NAFA Pension Fund, NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company and directors and officers of the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund and unit holders holding 10 percent or more units of the Fund.

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

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

14.4 The details of significant transactions carried out by the Fund with connected persons and balances with them at period end are as follows:

14.5 Transactions during the period:

	(Unaudited)			
	Six months period ended		Three months period ended	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
	----- (Rupees in '000) -----			
NBP Fullerton Asset Management Limited Management Company				
Remuneration of the Management Company	562	1,706	222	805
Sindh Sales Tax on remuneration of Management Company	73	277	29	131
Federal Excise Duty on remuneration of Management Company	-	273	-	129
Allocation of expenses related to registrar services, accounting, operation and valuation services	98	35	38	35
Sales load	7	2	5	1
Units issued: 5,593,008 units (31 December 2015: Nil units)	58,683	-	58,683	-
Service Provident Fund Trust				
Purchase of Pakistan Investment Bond	3,766	-	3,766	-
National Bank of Pakistan Limited				
Purchases of Market Treasury Bills	69,704	-	69,704	-

NAFA GOVERNMENT SECURITIES SAVINGS FUND

	(Unaudited)			
	Six months period ended		Three months period ended	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
----- (Rupees in '000) -----				
Employees of the Management Company				
Dividend Re-invest:: Nil units (31 December 2015: 6,896 units)	-	71	-	-
Units issued: Nil units (31 December 2015: 16,973 units)	-	182	-	10
Units redeemed: 36,504 (31 December 2015: 71,735 units)	381	793	280	60
Mr Khalid Mehmood - CFO				
Units issued: Nil (31 December 2015: 142,640)	-	1,500	-	-
Units redeemed: 144,963 (31 December 2015: 5,665)	1,509	60	509	-
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of the Trustee	167	304	65	151
Sindh Sales Tax on remuneration of Trustee	22	43	9	22
NAFA Income Opportunity Fund				
Sale of Market Treasury Bills	68,308	4,780	-	4,780
NAFA Government Securities Liquid Fund				
Sale of Market Treasury Bills	47,634	178,381	17,834	9,930
Summit Bank Limited				
Purchase of Treasury Bills	-	89,954	-	89,954
Attock Petroleum Limited				
Units issued: Nil (31 December 2015: 9,590,854)	-	102,099	-	2,099
Units redeemed: 10,056,987 (31 December 2015: Nil)	104,136	-	104,136	-

14.6 Amounts outstanding as at period / year end:

31 December
2016
Unaudited

30 June
2016
Audited

----- (Rupees in '000) -----

NBP Fullerton Asset Management Limited - Management Company

Management remuneration payable	95	186
Sindh Sales Tax payable	13	30
Federal Excise Duty payable	1,864	1,864
Sales load and transfer load payable	103	145
Sindh Sales Tax and FED payable on sales load	405	420
Allocation of expenses related to registrar services, accounting, operation and valuation services	98	222
Other payable	45	45
Units held: 5,593,008 (30 June 2016: Nil units held)	58,954	-

Employees of the Management Company

Units held: 29,730 (30 June 2016: 66,234 units held)	313	681
--	-----	-----

Mr Khalid Mehmood - CFO

Units held: Nil (30 June 2016: 144,963 units)	-	1,491
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Central Depository Company of Pakistan Limited - Trustee

Trustee remuneration payable	24	53
Sindh Sales Tax payable	3	7
Security deposit	102	102
CDS charges payable	29	11

NAFA GOVERNMENT SECURITIES SAVINGS FUND

	31 December 2016 Unaudited	30 June 2016 Audited
	----- (Rupees in '000) -----	
National Bank of Pakistan Bank balances	515	1,036
Summit Bank Limited Bank balance in Current account	230	278
NAFA Asset Allocation Fund Net receivable against conversion of units	-	(700)
NAFA Islamic Asset Allocation Fund Payable against conversion of units	-	700
NAFA Money Market Fund Payable against conversion of units	-	(8,945)
NAFA Saving Plus Fund Net receivable against conversion of units	-	(2,103)
Gul Ahmed Energy Limited Units held: Nil (30 June 2016: 3,598,267 units)	-	37,020
Attock Petroleum Limited Units held: Nil (30 June 2016: 10,056,987 units)	-	103,468

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurement' 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 that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

NAFA GOVERNMENT SECURITIES SAVINGS FUND

31 December 2016

Unaudited

	Carrying amount				Fair value			
	Held for Trading	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----								
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investments								
- Market Treasury Bills	54,956	-	-	54,956	-	54,956	-	54,956
- Pakistan Investment Bonds	61,038	-	-	61,038	-	61,038	-	61,038
	<u>115,994</u>	<u>-</u>	<u>-</u>	<u>115,994</u>	<u>-</u>	<u>115,994</u>	<u>-</u>	<u>115,994</u>

Financial assets not measured at fair value

	15.1							
Bank balances	-	98,087	-	98,087	-	-	-	-
Profit receivables	-	3,125	-	3,125	-	-	-	-
Advance and deposit	-	740	-	740	-	-	-	-
	-	<u>101,952</u>	-	<u>101,952</u>	-	-	-	-

Financial liabilities not measured at fair value

	15.1							
Payable to NBP Fullerton Asset Management Limited - Management Company	-	-	2,623	2,623	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	56	56	-	-	-	-
Payable against purchase of investments	-	-	54,991	54,991	-	-	-	-
Accrued expenses and other liabilities	-	-	411	411	-	-	-	-
	-	-	<u>58,081</u>	<u>58,081</u>	-	-	-	-

30 June 2016

Audited

	Carrying amount				Fair value			
	Held for Trading	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----								

On-balance sheet financial instruments

Financial assets measured at fair value								
Investments								
- Market Treasury Bills	165,820	-	-	165,820	-	165,820	-	165,820
- Pakistan Investment Bonds	58,878	-	-	58,878	-	58,878	-	58,878
	<u>224,698</u>	<u>-</u>	<u>-</u>	<u>224,698</u>	<u>-</u>	<u>224,698</u>	<u>-</u>	<u>224,698</u>

Financial assets not measured at fair value

Term Deposit Receipts	-	25,000	-	25,000				
Bank balances	-	69,130	-	69,130	-	-	-	-
Profit receivables	-	4,102	-	4,102	-	-	-	-
Receivable against conversion of units	-	700	-	700	-	-	-	-
Advance and deposit	-	102	-	102	-	-	-	-
	-	<u>99,034</u>	-	<u>99,034</u>	-	-	-	-

Financial liabilities not measured at fair value

Payable to NBP Fullerton Asset Management Limited - Management Company	-	-	2,912	2,912	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	71	71	-	-	-	-
Payable against conversion of units	-	-	11,748	11,748	-	-	-	-
Accrued expenses and other liabilities	-	-	484	484	-	-	-	-
	-	-	<u>15,215</u>	<u>15,215</u>	-	-	-	-

NAFA GOVERNMENT SECURITIES SAVINGS FUND

15.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

16 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorised for issue on February 28, 2017 by the Board of directors of the Management Company.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director



NBP Fullerton
Asset Management Ltd.
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