



## NAFA SAVINGS PLUS FUND

**QUARTERLY  
REPORT**  
**March  
31 2017**




*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.

# NAFA SAVINGS PLUS FUND

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# NAFA SAVINGS PLUS 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. Humayun Bashir	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 Shahra-e-Faisal, Karachi.

### Bankers to the Fund

Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
Faysal Bank Limited  
Samba Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
JS Bank Limited  
United Bank Limited  
NIB Bank Limited  
The Bank of Punjab  
Summit Bank Limited  
Soneri Bank Limited  
National Bank of Pakistan  
Habib Bank Limited  
Sindh Bank Limited  
Al-Baraka Islamic Bank Limited  
Khushhali Bank Limited  
Meezan Bank Limited  
Dubai Islamic Bank Pakistan Limited  
Bankislami Pakistan Limited  
Zarai Taraqati Bank Limited

# NAFA SAVINGS PLUS 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: 111-111NFA (111-111-632),  
(Toll Free): 0800-20001,  
Fax: (021) 35825329  
Website: [www.nafafunds.com](http://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:**

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 SAVINGS PLUS FUND

## DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the unaudited financial statements of **NAFA Savings Plus Fund (NSPF)** for the period ended March 31, 2017.

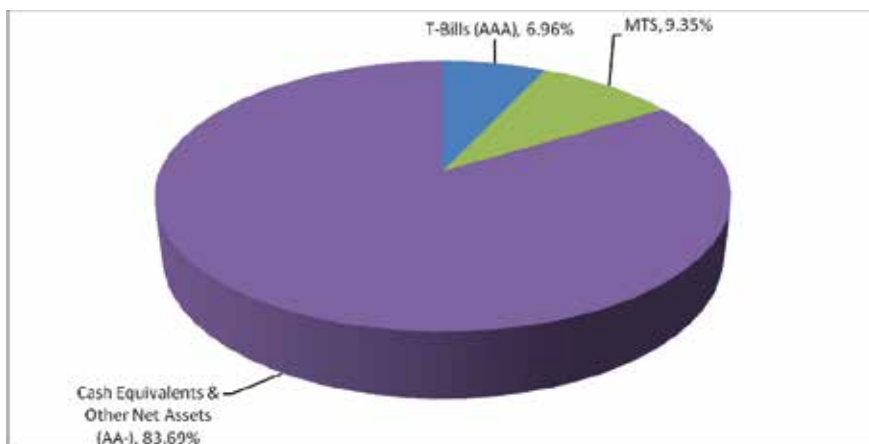
### Fund's Performance

The size of NAFA Savings Plus Fund has decreased from Rs. 523 million to Rs. 429 million during the period (i.e. a decrease of 18%). During the period, the unit price of the Fund has increased from Rs. 10.1194 on June 30, 2016 to Rs. 10.7923 on March 31, 2017, thus showing a return of 8.9% 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 is rated 'AA- (f)' by PACRA, which denotes a very strong capacity to maintain relative stability in returns and very low exposure to risks. Weighted average maturity of the Fund cannot exceed one year. The Fund is allowed to invest in MTS. However, NAFA's internal guidelines permit financing in only fundamentally strong companies. It is pertinent to mention that in this asset class the Fund provides financing at only pre-determined rate of return with no direct exposure to the stock market.

During the period under review, State Bank of Pakistan (SBP) maintained the discount rate and policy rate at 6.25% and 5.75% respectively. The improved interbank liquidity conditions (due to net government retirement and increase in bank deposits) were well calibrated through the open market operations – keeping the weighted average overnight repo rate close to the policy rate. However, long-term sovereign yields witnessed an average increase of around 60 basis points, indicating investors' demand for higher term premium. CPI on year-on-year basis was recorded at 4.01% in 9MFY17 as compared to 2.64% in corresponding period last year.

The Fund has earned total income of Rs.33.62 million during the period. After deducting expenses of Rs.6.86 million, the net income is Rs.26.76 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NSPF.



# NAFA SAVINGS PLUS FUND

## Acknowledgement

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

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

On behalf of the Board of  
NBP Fullerton Asset Management Limited

Chief Executive

Director

Date: April 28, 2017  
Place: Karachi.

# NAFA SAVINGS PLUS FUND

## ڈائریکٹرز رپورٹ

NBP فلٹرن ایسیٹ منجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز صدمست 31 مارچ 2017ء کو ختم ہونے والی مدت کے لیے NAFA سیونگز پلس فنڈ (NSPF) کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

NAFA سیونگز پلس فنڈ کا ساآزاس مدت کے دوران 523 ملین روپے سے گھٹ کر 429 ملین روپے ہو گیا، یعنی 18% کمی۔ زیر جائزہ مدت کے دوران فنڈ کے یونٹ کی قیمت 30 جون 2016ء کو 10.1194 روپے سے 31 مارچ 2017ء کو 10.7923 روپے تک بڑھ چکی ہے، لہذا اسی مدت کے لیے اپنے بیچ مارک منافع 5.7% کے مقابلے میں 8.9% منافع درج کرایا۔ فنڈ کا یہ منافع منجمنٹ فیس اور دیگر اخراجات کے بعد خالص ہے۔

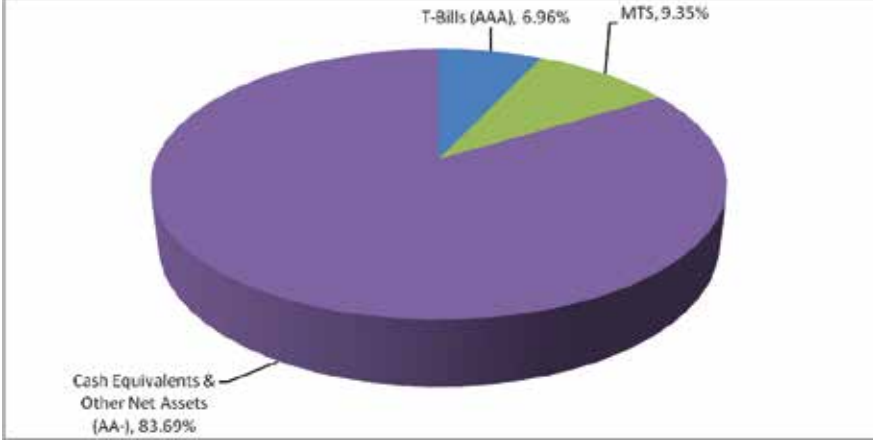
فنڈ کو PACRA کی طرف سے AA-(f) کی ریٹنگ دی گئی ہے جو منافع جات میں متعلقہ استحکام برقرار رکھنے کی زبردست اہلیت اور خطرات کی زد میں آنے کے بہت معمولی امکانات کی نشان دہی کرتی ہے۔ فنڈ کی مچھورٹی کی نئی تلی اوسط مدت ایک سال سے زائد نہیں ہو سکتی۔ فنڈ کو MTS میں سرمایہ کاری کی اجازت ہے، تاہم NAFA کی داخلی ہدایات صرف بنیادی طور پر مشتمل کمپنیوں میں سرمایہ کاری کی اجازت دیتی ہیں۔ یہ یہاں ذکر مناسب ہے کہ اس ایسیٹ کلاس میں فنڈ منافع کی پہلے سے طے شدہ شرح منافع پرفائنانسنگ فراہم کرتا ہے اور اسٹاک مارکیٹ سے براہ راست آمناسا منانہیں ہوتا۔

زیر جائزہ مدت میں اسٹیٹ بینک آف پاکستان (SBP) نے ڈسکاؤنٹ ریٹ اور پالیسی ریٹ بالترتیب 6.25% اور 5.75% کی شرح کو برقرار رکھا۔ بہتر انٹری بینک سیالیت کی صورتحال (نیٹ گورنمنٹ ریٹائرمنٹ اور بینک ڈپازٹس میں اضافہ کے سبب) کی قدر و قیمت کا اوپن مارکیٹ آپریشنز کے ذریعہ بہتر تعین کیا گیا۔ جبکہ ریپو کے ریٹ کی شرح کی قدر کو پالیسی ریٹ سے قریب تر رکھا گیا۔ تاہم طویل المعیاد بہترین نتائج میں تقریباً 60 بنیادی پوائنٹس کا اوسط اضافہ ہوا، جس سے سرمایہ کاروں کی زیادہ مدت کے پرمیٹیم کی طلب کا مظاہرہ ہوا۔ مالی سال 2017ء کے نو ماہ میں سال بہ سال بنیاد پر CPI 4.01% ریکارڈ کیا گیا جو گزشتہ سال اسی مدت میں 2.64% تھا۔

فنڈ نے اس مدت کے دوران 33.62 ملین روپے کی مجموعی منافع دیا۔ 6.86 ملین روپے کے اخراجات کا حساب کرنے کے بعد خالص منافع 26.76 ملین روپے رہی۔ درج ذیل چارٹ NSPF کی ایسیٹ ایلوکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کریڈٹ ریٹنگ پیش کرتا ہے:-



# NAFA SAVINGS PLUS FUND



## اظہارِ تشکر

بورڈ اس موقع کا فائدہ اٹھاتے ہوئے منجھٹ کمپنی پر اعتماد اور اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز 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 ٹرسٹی 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 ایسٹیٹ منجھٹ کمپنی لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

بتاریخ

28 اپریل 2017ء

مقام: کراچی

# NAFA SAVINGS PLUS FUND

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2017

	Note	Unaudited March 31, 2017	Audited June 30, 2016
(Rupees in '000)			
<b>ASSETS</b>			
Balances with banks & Short term deposits		372,489	369,491
Investments	4	29,869	39,687
Receivable against Margin Trading System		40,121	119,879
Profit receivable		932	2,997
Receivable against conversion of units		-	18,411
Deposits, prepayments and other receivables		913	1,234
<b>Total assets</b>		<b>444,324</b>	<b>551,699</b>
<b>LIABILITIES</b>			
Payable to the Management Company		11,998	12,245
Payable to the Central Depository Company Pakistan Limited - Trustee		74	81
Payable to the Securities and Exchange Commission of Pakistan		267	442
Payable on redemption of units		606	225
Payable on conversion of units		-	1
Dividend payable		-	1
Accrued expenses and other liabilities		2,293	15,907
<b>Total liabilities</b>		<b>15,238</b>	<b>28,902</b>
<b>NET ASSETS</b>		<b>429,086</b>	<b>522,797</b>
<b>Unit holders' funds (as per statement attached)</b>		<b>429,086</b>	<b>522,797</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6		
(Number of units)			
Number of units in issue		39,758,390	51,663,007
(Rupees)			
Net asset value per unit		10.7923	10.1194

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited  
(Management Company)

Chief Executive

Director

# NAFA SAVINGS PLUS FUND

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2017

Note	Nine Months Ended		Quarter ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
----- Rupees in '000 -----				
<b>INCOME</b>				
Gain on sale of investments - net	1	387	-	-
Income from government securities	1,625	5,585	548	664
Income from term deposit receipts	4,001	2,418	1,537	2,236
Profit on bank deposits	12,729	18,651	3,493	6,088
Income from Margin Trading System	6,646	12,891	1,730	2,124
Reversal of provision for Workers' Welfare Fund	11,399		11,399	
Net unrealised appreciation / (diminution) on remeasurement of investments classified as 'financial assets at fair value through profit or loss'	(6)	62	-	(23)
<b>Total Income</b>	<b>36,395</b>	<b>39,994</b>	<b>18,707</b>	<b>11,089</b>
<b>EXPENSES</b>				
Remuneration of the Management Company	2,152	5,571	636	994
Sindh sales tax on remuneration of the Management Company	280	905	83	162
FED on remuneration of the Management Company	-	891	-	159
Remuneration of the Trustee	606	781	183	232
Sindh sales tax on remuneration of the Trustee	79	109	24	32
Annual fee - Securities and Exchange Commission of Pakistan	267	344	80	102
Accounting and operational charges to the Management Company	356	197	107	137
Auditors' remuneration	477	418	107	114
Settlement and bank charges	1,303	1,580	439	295
Annual listing fee	41	22	13	7
Fund rating fee	281	254	97	86
Legal and professional charges	21	37	6	12
National Clearing Company of Pakistan Limited fee	95	186	-	62
Provision for Sindh Workers' Welfare Fund- previous years	308	-	308	-
Printing charges	51	103	1	68
<b>Total Expenses</b>	<b>6,317</b>	<b>11,398</b>	<b>2,084</b>	<b>2,462</b>
<b>Net income from operating activities</b>	<b>30,078</b>	<b>28,596</b>	<b>16,623</b>	<b>8,627</b>
Element of (loss) and capital (losses) included in prices of units issued less those in units redeemed	(2,775)	(4,028)	(896)	(1,802)
	27,303	24,568	15,727	6,825
Provision for Sindh Workers' Welfare Fund	5 (546)	-	(546)	-
<b>Net income for the period before taxation</b>	<b>26,757</b>	<b>24,568</b>	<b>15,181</b>	<b>6,825</b>
Taxation	7 -	-	-	-
<b>Net income for the period after taxation</b>	<b>26,757</b>	<b>24,568</b>	<b>15,181</b>	<b>6,825</b>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited  
(Management Company)

Chief Executive

Director

# NAFA SAVINGS PLUS FUND

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2017

Note	Nine Months Ended		Quarter ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	----- Rupees in '000 -----			
Net income for the period after taxation	26,757	24,568	15,181	6,825
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>26,757</u>	<u>24,568</u>	<u>15,181</u>	<u>6,825</u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive

For NBP Fullerton Asset Management Limited  
(Management Company)

Director

# NAFA SAVINGS PLUS FUND

## CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2017

	Nine Months Ended		Quarter ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	----- Rupees in '000 -----			
Undistributed income brought forward	8,214	7,981	19,790	25,724
Net income for the period after taxation	26,757	24,568	15,181	6,825
Undistributed income carried forward	<u>34,971</u>	<u>32,549</u>	<u>34,971</u>	<u>32,549</u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive

For NBP Fullerton Asset Management Limited  
(Management Company)

Director

# NAFA SAVINGS PLUS FUND

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2017

	Nine Months Ended		Quarter ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
----- Rupees in '000 -----				
Net assets at the beginning of the period	522,797	494,677	430,835	582,425
Issue of 22,449,409 units ( 2016: 66,806,180 units)	234,158	684,652	(175,037)	102,261
Redemption of 35,354,026 units ( 2016: 65,081,573 units)	(357,401) (123,243)	(671,235) 13,417	157,211 (17,826)	(156,623) (54,362)
Net element of loss and capital losses included in prices of units issued less those in units redeemed	2,775	4,028	896	1,802
Net unrealised appreciation / (diminution) on remeasurement of investments classified as 'financial assets at fair value through profit or loss'	(6)	62	-	(23)
Gain / (loss) on sale of investments	1	387	-	205
Other income (net of expenses)	26,762	24,119	15,181	6,643
<b>Net income for the period</b>	<u>26,757</u>	<u>24,568</u>	<u>15,181</u>	<u>6,825</u>
<b>Net assets at the end of the period</b>	<u><u>429,086</u></u>	<u><u>536,690</u></u>	<u><u>429,086</u></u>	<u><u>536,690</u></u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive

For NBP Fullerton Asset Management Limited  
(Management Company)

Director

# NAFA SAVINGS PLUS FUND

## CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2017

	Nine Months Ended		Quarter ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
----- Rupees in '000 -----				
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net income for the period before taxation	26,757	24,568	15,181	6,825
<b>Adjustments</b>				
Net unrealised appreciation / (diminution) on remeasurement of investments classified as 'financial assets at fair value through profit or loss'	6	(62)	-	23
(Gain) / loss on sale of investments - net	(1)	(387)	-	-
Element of loss and capital losses included in prices of units issued less those in units redeemed	2,775	4,028	896	1,802
	<u>29,537</u>	<u>28,147</u>	<u>16,077</u>	<u>8,650</u>
<b>(Increase) / decrease in assets</b>				
Investments	9,813	(65,224)	40,040	(43,664)
Receivable against issuance of units	-	-	-	-
Receivable against Margin Trading System	79,758	355,473	110,200	149,455
Profit receivable	2,065	558	284	(1,355)
Deposits, prepayments and other receivables	18,732	4,828	165	4,675
	<u>110,368</u>	<u>295,635</u>	<u>150,689</u>	<u>109,111</u>
<b>Increase / (decrease) in liabilities</b>				
Payable to the Management Company	(247)	(473)	(140)	44
Payable against purchase of investments	-	3	-	3
Payable to the Trustee	(7)	(26)	(12)	36
Payable to the Securities and Exchange Commission of Pakistan	(175)	(634)	80	103
Accrued expenses and other liabilities	(13,616)	(293,610)	(11,314)	(289,487)
	<u>(14,045)</u>	<u>(294,740)</u>	<u>(11,386)</u>	<u>(289,301)</u>
Net cash (outflow) / inflow on operating activities	<u>125,860</u>	<u>29,042</u>	<u>155,380</u>	<u>(171,540)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Receipts from issue of units	234,158	684,652	(175,037)	97,593
Payments on redemption of units	(357,020)	(1,131,308)	157,380	132,764
Distributions	-	(36,559)	1	-
Net cash (outflow on) / inflow from financing activities	<u>(122,862)</u>	<u>(483,215)</u>	<u>(17,656)</u>	<u>230,357</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>2,998</u>	<u>(454,173)</u>	<u>137,724</u>	<u>58,817</u>
Cash and cash equivalents at the beginning of the period	369,491	835,374	234,765	322,384
Cash and cash equivalents at the end of the period	<u>372,489</u>	<u>381,201</u>	<u>372,489</u>	<u>381,201</u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited  
(Management Company)

Chief Executive

Director

# NAFA SAVINGS PLUS FUND

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2017

### 1 LEGAL STATUS AND NATURE OF BUSINESS

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

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of Mutual Funds Association of Pakistan (MUFAP).

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

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

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of "AM1" w.e.f April 21, 2017 to the Management Company and a stability rating of 'AA-(f)' to the Fund.

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

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. 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, Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), Non Banking Finance Companies and Notified Entities Regulations 2008 (NBFC Regulations) and the 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 this condensed interim financial information have been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the published financial statements of the Fund for the year ended June 30, 2016.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2017.

### 3 ACCOUNTING POLICIES

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



# NAFA SAVINGS PLUS FUND

## 4 INVESTMENTS

	Note	Unaudited March 31, 2017	Audited June, 30 2016
(Rupees in '000)			
Financial assets 'at fair value through profit or loss' - held for trading			
Government securities - Market Treasury Bills	4.1	29,869	39,687
		29,869	39,687

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

Issue date	Tenor	Face Value				Market value / Carrying value as at 31, March 2017	Market value / Carrying value as a percentage of net assets	Market value / Carrying value as a percentage of total investments
		As at July 01, 2016	Purchases during the period	Sales/ matured during the period	As at March 31, 2017			
						Rupees in '000	-----%	
Market Treasury Bills								
August 20, 2015	12 Months	40,000	-	40,000	-	-	-	-
July 11, 2016	3 Months	-	40,000	40,000	-	-	-	-
May 12, 2016	6 Months	-	30,000	30,000	-	-	-	-
October 27, 2016	3 Months	-	30,000	30,000	-	-	-	-
September 1, 2016	6 Months	-	30,000	30,000	-	-	-	-
November 10, 2016	3 Months	-	30,000	30,000	-	-	-	-
February 2, 2017	3 Months	-	30,000	-	30,000	29,869	6.96	100.00
						29,869	6.96	100.00
Carrying Value as at March 31, 2017						29,875		
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'						(6)		

## 5 PROVISION FOR SINDH WORKERS' WELFARE FUND

The Finance Act, 2008 introduced amendments to the Workers' Welfare Fund 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 November 10, 2016, has upheld the view of Lahore High Court and decided that Workers Welfare Fund (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 November 10, 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 December 31, 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 mutual funds and considering the legal opinion obtained on these matters, MUFAP has recommended the following to all its members on January 12, 2017:

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

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

# NAFA SAVINGS PLUS FUND

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on January 12, 2017 and the SECP vide its letter dated February 1, 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 mutual funds. Accordingly, the Fund has recorded these adjustments in its books on January 12, 2017.

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs.0.855 million If the same were not been the NAV per unit of the scheme would be higher by Rs . 0.0215.

## 6 CONTINGENCIES AND COMMITMENTS

There were no contingencies outstandings at March 31, 2017 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 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses incurred during the period divided by Average net assets value for the period) is 1.93% p.a. including 0.42% 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.

## 9 TRANSACTIONS WITH CONNECTED PERSONS

9.1 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.

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

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

9.4 The details of transactions with connected persons and balances with them as at period end are as follows:

	----- (Un-Audited) -----			
	Nine months ended		Quarter ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	-----Rupees in '000-----			
9.5 Transactions during the period				
<b>NBP Fullerton Asset Management Limited - Management Company</b>				
Management fee for the period	2,152	5,571	636	994
Sindh sales tax on remuneration of the Management Company	280	905	83	162
FED on remuneration of the Management Company	-	891	-	159
Front end load	213	567	173	354
Accounting and operational charges to the Management Company	356	197	107	197
Sindh Sales Tax on Sales Load	32	39	5	12
FED on Sales Load	-	42	-	15
<b>Central Depository Company of Pakistan Limited - Trustee</b>				
Remuneration for the period	606	781	183	232
Sindh sales tax on remuneration of the Trustee	79	109	24	32

# NAFA SAVINGS PLUS FUND

----- (Un-Audited) -----			
Nine months ended		Quarter ended	
March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
-----Rupees in '000-----			

<b>Employees of the Management Company</b>				
Units issued / transferred in 376,495 units; 2016: 748,442 units)	3,874	7,666	420	526
Units redeemed / transferred out 315,915 units; 2016: 742,962 units)	3,246	7,627	216	207
<b>Summit Bank Limited</b>				
Bank profit earned by the fund on deposit in saving account	5	21	-	5

## 9.6 Amounts outstanding as at period end

	March 31, 2017 Unaudited	June 30, 2016 Audited
	----- (Rupees in '000) -----	
<b>NBP Fullerton Asset Management Limited - Management Company</b>		
Receivable from the Management Company	-	700
Remuneration payable to the Management Company	219	283
Allocation of expenses	356	327
Sindh sales tax payable on remuneration of the Management Company	29	46
F.E.D on Management fee	10,620	10,620
Front end load payable	172	332
FED payable on sale load	292	295
Sales tax payable on sale load	22	54
Others	288	288
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	65	71
Sindh Sales Tax payable	9	10
Security Deposit	100	100
<b>National Bank of Pakistan - Sponsor</b>		
Balance in current account	6,310	304
<b>NBP Endowment Fund Student Loan Scheme -- Associated Companies</b>		
Investment held in the Fund (13,666 units; June 30, 2016: 13,666 units)	147	138
<b>Employees of the Management Company</b>		
Investment held in the Fund (131,227 units; June 30, 2016: 70,648 units)	1,416	715
<b>Summit Bank Limited</b>		
Bank Balances	940	1,001
<b>NAFA Government Securities Savings Fund</b>		
Net receivable / net (payable) against conversion of units	-	2,103
<b>NAFA Asset Allocation Fund</b>		
Net receivable / net (payable) against conversion of units	-	(1)
<b>NAFA Government Securities Liquid Fund</b>		
Net receivable / net (payable) against conversion of units	-	14,778
<b>NAFA Income Opportunity Fund</b>		
Net receivable / net (payable) against conversion of units	-	1,530

# NAFA SAVINGS PLUS FUND

## 10 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. No significant changes to corresponding figures have been made during the current period.

## 11 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 28th April 2017.

## 12 GENERAL

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

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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