



# CONDENSED INTERIM FINANCIAL STATEMENT

HALF YEARLY REPORT FOR THE PERIOD  
ENDED DECEMBER 31, 2013



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## FUND'S INFORMATION

<b>Management Company:</b>	ABL Asset Management Company Limited 11 - B, Lalazar M. T. Khan Road, Karachi.	
<b>Board of Directors</b>	Sheikh Mukhtar Ahmed Mr. Muhammad Waseem Mukhtar Mr. Tariq Mahmood Mr. Kamran Nishat Mr. M. Shakeb Murad Mr. M. Jawaid Iqbal Mr. Khawaja Muhammad Almas Mr. Farid Ahmed Khan	Chairman       CEO
<b>Audit Committee:</b>	Mr. Kamran Nishat Mr. Muhammad Waseem Mukhtar Mr. Khawaja Muhammad Almas	Chairman Member Member
<b>Human Resource Committee:</b>	Mr. Jawaid Iqbal Mr. Kamran Nishat Mr. Farid Ahmed Khan	Chairman Member Member
<b>Chief Executive Officer of The Management Company:</b>	Mr. Farid Ahmed Khan	
<b>Chief Financial Officer &amp; Company Secretary:</b>	Mr. Saqib Matin	
<b>Chief Internal Auditor:</b>	Mr. Mubeen Ashraf Bhimani	
<b>Trustee:</b>	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shakra-e-Faisal, Karachi - 74400	
<b>Bankers to the Fund:</b>	Allied Bank Limited Bank AJ- Falah Limited United Bank Limited	
<b>Auditor:</b>	KPMG Taseer Hadi & Co. Chartered Accountants Sheikh Sultan Trust Building No. 2 Beaumont Road, Karachi, 75530 Pakistan	
<b>Legal Advisor:</b>	Bawany & Partners Room No. 404, 4th Floor Beaumont Plaza, 6 - C1 - 10, Beaumont Road, Civil Lines, Karachi.	
<b>Registrar:</b>	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	

## REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Income Fund (ABL-IF), is pleased to present the un-audited Condensed Interim Financial Statements of ABL-IF for the half year ended December 31, 2013.

### ECONOMIC PERFORMANCE REVIEW

The year 2013 marked a new chapter in Pakistan's history with a smooth civilian to civilian transition of Government. Acting swiftly to address the economic morass, the newly elected Government entered into a fresh IMF program (USD6.64bn to be released over a period of 36 months) to steer the country out of economic doldrums. As it turned out, the stringent conditions set forth by the IMF defined the contours of the economic policy to a great extent. Revenue enhancement measures, removal of subsidies and kick starting the privatization process were at the top of the agenda for policy makers. As measures were enforced, key economic indicators suffered with inflation sky rocketing (10.9% in November after hitting a low of 7.4% in September) and PKR weakening (5.8% depreciation over 1HFY14) significantly against the dollar. Monetary authorities, sighting inflationary pressures and low FX reserve position (SBP reserves at USD3.66 billion at year end after hitting a low of USD2.96 billion in December), retreated on their monetary easing stance and increased the discount rate cumulatively by 100bps to 10% during the period.

On the fiscal front, tax collection increased to PKR1,031 billion (+14% YoY), but still fell short of the target by Rs 59 billion. Removal of electricity subsidies had little bearing on circular debt which has again piled up after the Government cleared the dues following the FY14 budget. Balance of Payment position remained precarious (posting a deficit of USD1.86 billion for 1HFY14) as the current account deficit swelled to USD1.59 billion. To give the credit where it's due, the Government has undertaken some tough decisions which have paved way for 2nd generation of reforms. Inflation was back in single digits during December 2013 while the critical FX reserve position was rescued by the release of IMF's second tranche. The rupee also recovered to close year end at PKR105.3 vs. USD after hitting a low of 108.6.

### MUTUAL FUND INDUSTRY REVIEW

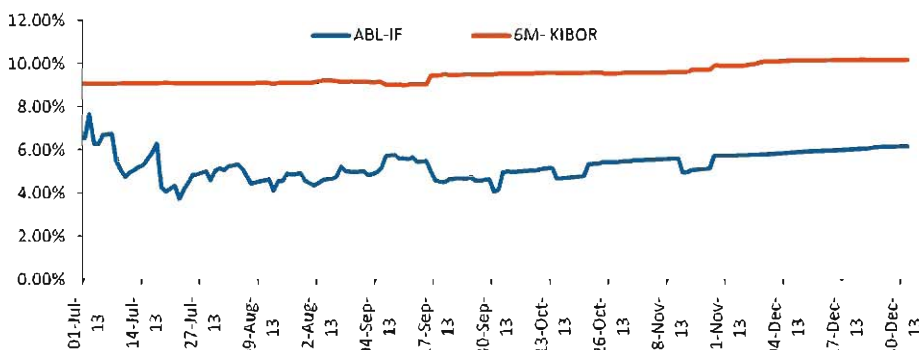
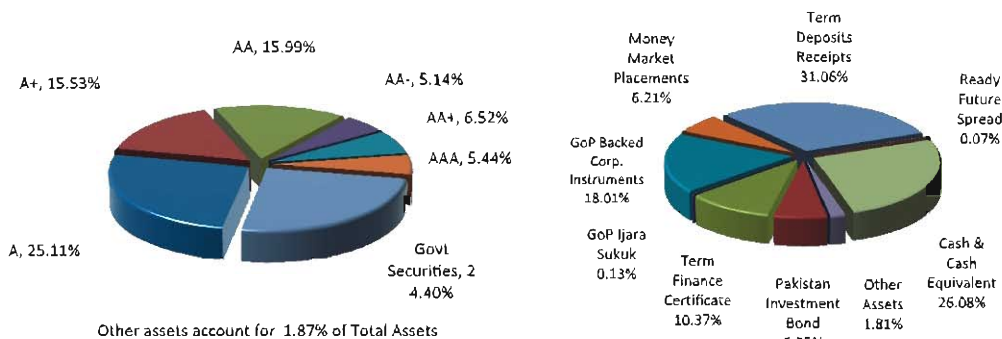
Total assets under management (AUMs) of Pakistan's open end mutual fund industry grew by 10.7% during July-December to close CY2013 at PKR361 bn. The period saw an increase in interest rates by 100bps to 10%, which attracted investors towards low risk money market funds. Income funds however lost some ground due to valuation adjustments on their bond portfolios from rising interest rates. Moreover, frail economic conditions implied investor preference for low risk funds increased. Momentary year-end outflows impacted AUMs which are a norm at this time of the year as high rates lured investors towards bank deposits.

As interest rates started to increase short duration investment avenues such as money market funds became attractive. Income funds which entail high duration instruments such as PIBs bore the brunt as valuation adjustments adversely impacted returns. The income fund category thus declined by 13% to PKR47.9 billion at December 31, 2013 compared to PKR55.3 billion as at June 30, 2013.

### FUND PERFORMANCE

During the period under review, ABL Income Fund's AUM declined by 36.75% to PKR 1,567 million from PKR 2,477 million as at June 2013. During 1HFY14, the unit price of ABL IF increased by 3.12% to close at PKR 10.3195 (cum dividend) resulting in an annualized return of 6.19% versus the benchmark return of 9.48%, an underperformance of 330 bps. The underperformance is attributable to valuation losses on long duration instruments due to 100 bps hike in DR since June 2013. However, in order to diversify asset allocation and to enhance portfolio yield, we increased our allocation in KIBOR linked instruments. Moreover, during the period we also increased our allocation towards high yield spread transactions and TDRs.

At the end of the period, the fund reduced its Treasury bill holdings while increasing exposure to bank placements due to better rates offered on account of year end. Overall placements constituted 63.35% of the portfolio (31.06% in TDRs, 6.21% in Money market placements & 26.08% in cash) followed by Govt. Guaranteed Instruments at 18%, TFCs at 10.37% and PIBs at 6.25%. Due to an increase in allocation to KIBOR-linked long tenure instruments, weighted average maturity of the fund came in at 854 days.



## FUTURE OUTLOOK

We feel interest rates are likely to remain stable in 2HFY2014 after edging up by 1% in 1HFY-14. The spike in inflation numbers has receded while FX reserves have stabilized post-IMF installment payments. The after effects of these developments have brought money market yields down slightly whereas PKR has also stabilized after facing a torrid time in November-December 2013. The realization of CSF and 3G auction proceeds will further facilitate external account situation. There are risks that lower receipt of FX proceeds and further removal of energy subsidies can trigger higher expectation of inflation and put exchange rate under pressure. Such a situation can also bring the specter of monetary tightening back in the game. There are also concerns that heavy government borrowing to fund the budget deficit can keep the yields at elevated levels.

Keeping in view the current economic conditions with interest rates stabilizing, we will make a tactical shift in our portfolio of short-medium term government securities and money market instruments. However, it is difficult to make a clear call on lengthening the portfolio duration by adding longer duration instruments. We need to see more data points and a clear policy vision from the Government to make that call.

## DIVIDEND

Interim distribution of Re.0.1906 per unit (1.91% of the par value of Rs.10) for ABL-IF for the quarter ended December 31, 2013. This is in addition to the aggregate interim distribution of Re.0.1211 per unit (1.21% on the face value of Rs. 10 per unit) already distributed.

## AUDITORS

M/s. KPMG Taseer Hadi & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2014 for ABL Income Fund (ABL-IF).

## FUND STABILITY RATING

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on January 17, 2013 reaffirmed the Fund Stability Rating of ABL Income Fund at 'A+ (f)' (Single A plus (f)).

## MANAGEMENT QUALITY RATING

The Management Quality Rating of ABL Asset Management Limited (ABL AMC) is 'AM Two' (AM2). Outlook on the assigned rating is 'Stable'.

## ACKNOWLEDGEMENT

We thank our valued investors who have placed their confidence in us. The Board is also thankful to Securities & Exchange Commission of Pakistan, the Trustee (Central Depository Company of Pakistan Limited) and the management of Karachi Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

For and on behalf of the Board



**FARID AHMED KHAN**  
Chief Executive Officer

Karachi, February 7, 2014



**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office**  
CDC House, 99-B, Block B  
S.M.C.H.S. Main Shahr-e-Faisal  
Karachi - 74400 Pakistan  
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**TRUSTEE REPORT TO THE UNIT HOLDERS**

**ABL INCOME 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 ABL Income Fund (the Fund) are of the opinion that ABL Asset Management Company Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2013 in accordance with the provisions of the following:

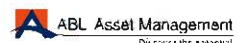
- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance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

For the purpose of information, the attention of the Unit Holders of the Fund is drawn towards the exposures taken by the Fund in the Privately Placed Sukuks and Term Finance Certificates issued by WAPDA Third Sukuk Company Limited and the WAPDA respectively, collectively exceeded the prescribed limit for exposure to any single issuer as per Regulation 55(5) of NBFC Regulations since October 14, 2013.

The Management Company has taken up the issue with Securities & Exchange Commission of Pakistan (SECP) with a plea that the exposures were taken on the understanding that the issuers of the said instruments are separate and should be treated separately for prescribed exposure limit. The reply from SECP is awaited. We have also informed SECP of the said matter.

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

Karachi: February 26, 2014







**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
Sheikh Sultan Trust Building No. 2  
Beaumont Road  
Karachi. 75530 Pakistan

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## **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 **ABL Income Fund** ("the Fund") as at 31 December 2013 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' funds, 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.

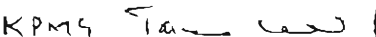
### *Other Matters*

The figures for the quarter ended 31 December 2013 in the condensed interim financial information have not been reviewed and no conclusions have been expressed thereon.

The condensed interim financial information of the Fund for the six months ended 31 December 2012 and financial statement for the year ended 30 June 2013 were reviewed and audited by another firm of auditors whose reports dated 15 February 2013 and 06 August 2013 expressed an unqualified conclusion and opinion thereon respectively.

**Date:**

**Karachi**

  
**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
Muhammad Taufiq

KPMG Taseer Hadi & Co., a Partnership firm registered in Pakistan and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity



**ABL INCOME FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT 31 DECEMBER 2013**

		(Un-audited) 31 December, 2013	(Audited) June 30, 2013
	Note	----- (Rupees in '000') -----	
<b>Assets</b>			
Bank balances	6	419,996	1,100,682
Investments	7	1,159,667	1,233,517
Profit receivable		20,066	23,783
Security deposits, prepayments and other receivables		10,155	15,531
Preliminary expenses and floatation costs		-	224
Receivable against sale and maturity of investments		-	147,844
<b>Total assets</b>		1,609,884	2,521,581
<b>Liabilities</b>			
Payable to ABL Asset Management Company Limited - Management Company	8	5,705	3,376
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	189	235
Payable to the Securities and Exchange Commission of Pakistan		790	2,143
Dividend payable		2	1
Payable against redemption of units		2,232	5,243
Accrued expenses and other liabilities	10	34,271	33,610
<b>Total liabilities</b>		43,189	44,608
<b>Net assets</b>		1,566,695	2,476,973
<b>Contingencies and commitments</b>	12		
<b>Unit holders' funds (as per statement attached)</b>		1,566,695	2,476,973
<b>Number of units in issue</b>		156,547,506	247,453,718
<b>Net assets value per unit</b>		10.0078	10.0098

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

For ABL Asset Management Company Limited  
(Management Company)

  
FARID AHMED KHAN  
CEO

  
KHAWAJA MUHAMMAD ALMAS  
DIRECTOR

**ABL INCOME FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2013**

	Note	Six months period ended 31 December		Quarter ended 31 December	
		2013	2012	2013	2012
(Rupees in '000')					
<b>Income</b>					
Capital (loss) / gain on sale of investments - net		(16,040)	29,617	(4,318)	11,191
Income from government securities		40,338	104,952	12,834	57,954
Income from term deposit receipts		10,924	25,834	5,550	8,749
Income from letters of placement		2,085	268	1,874	51
Income from term finance certificates / other sukus		23,221	21,283	12,823	11,028
Profit on deposits with bank		22,252	12,360	11,600	4,438
Dividend income		5,399	5,285	3,739	4,302
Unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss - 'held for trading'	7.8	732	4,442	10,137	(7,332)
Unrealized (loss) / gain on revaluation of future contracts		-	-	(4,557)	988
<b>Total income</b>		<b>88,911</b>	<b>204,041</b>	<b>49,682</b>	<b>91,369</b>
<b>Expenses</b>					
Remuneration of ABL Asset Management Company Limited - Management Company	8	15,792	22,875	6,997	12,192
Sindh sales tax on Management Company's remuneration	8.1	2,931	3,660	1,299	1,951
Federal excise duty on Management Company's remuneration	8.2	2,527	-	1,120	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9	1,323	1,725	610	905
Annual fee - Securities and Exchange Commission of Pakistan		790	1,144	350	610
Brokerage and other transaction costs		675	754	151	525
Bank charges		121	252	42	206
Auditors' remuneration		313	215	205	101
Amortisation of preliminary expenses and floatation costs		224	503	-	251
Printing charges		27	75	(11)	38
Listing fee		25	20	12	10
Annual rating fee		108	108	54	58
Other expenses		276	97	87	39
Provision for Workers' Welfare Fund	11	1,088	3,477	662	1,595
<b>Total expenses</b>		<b>26,220</b>	<b>34,905</b>	<b>11,578</b>	<b>18,481</b>
<b>Net income from operating activities</b>		<b>62,691</b>	<b>169,136</b>	<b>38,104</b>	<b>72,888</b>
Element of (loss) / income and capital (loss) / gains in prices of units sold less those in units redeemed - net		(9,346)	1,117	(5,615)	4,180
<b>Net income for the period before taxation</b>		<b>53,345</b>	<b>170,253</b>	<b>32,489</b>	<b>77,068</b>
Taxation	13	-	-	-	-
<b>Net income for the period after taxation</b>		<b>53,345</b>	<b>170,253</b>	<b>32,489</b>	<b>77,068</b>

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

For ABL Asset Management Company Limited  
(Management Company)

  
FARID AHMED KHAN  
CEO

  
KHAWAJA MUHAMMAD ALMAS  
DIRECTOR

**ABL INCOME FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2013**

	Six months period ended 31 December		Quarter ended 31 December	
	2013	2012	2013	2012
	----- (Rupees in '000') -----			
Net income for the period	53,345	170,253	32,489	77,068
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>53,345</u>	<u>170,253</u>	<u>32,489</u>	<u>77,068</u>

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

For ABL Asset Management Company Limited  
 (Management Company)

  
 FARID AHMED KHAN  
 CEO

  
 KHAWAJA MUHAMMAD ALMAS  
 DIRECTOR

**ABL INCOME FUND  
CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2013**

	Six months period ended 31 December	
	2013	2012
	----- (Rupees in '000') -----	
Undistributed income at the beginning of the period		
- Realized	1,924	9,587
- Unrealized	511	1,325
	2,435	10,912
 Net income for the period	 53,345	 170,253
 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	 415	 3,137
 Interim distribution during the period:		
- Cash dividend of Rs. 0.1211 (2012: 0.3479) per unit approved on 27 September 2013 (2012: 24 September 2012)	-	(2)
- Issue of 2,483,577 bonus units (2012: 9,350,584 units)	(24,836)	(93,506)
 - Cash dividend of Rs. 0.1906 (2012: 0.2531) per unit approved on 30 December 2013 (2012: 26 December 2012)	(1)	(1)
- Issue of 2,931,157 bonus units (2012: 8,582,386 units)	(29,312)	(85,824)
	(54,149)	(179,333)
 Undistributed income carried forward	 2,046	 4,969
 Undistributed income at the end of the period		
- Realized	1,314	527
- Unrealized	732	4,442
	2,046	4,969

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

For ABL Asset Management Company Limited  
(Management Company)

  
FARID AHMED KHAN  
CEO

  
KHAWAJA MUHAMMAD ALMAS  
DIRECTOR

**ABL INCOME FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UN-AUDITED)  
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2013**

	Six months period ended 31 December	
	2013	2012
	----- (Rupees in '000') -----	
Net assets at the beginning of the period	2,476,973	3,784,263
Cash received on issue of 37,365,070 (2012: 229,732,204) units	376,427	2,334,632
Cash paid on redemption of 133,686,016 (2012: 299,758,390) units	(1,349,395)	(3,030,658)
	(972,968)	(696,026)
Element of income and capital gains in prices of units issued less those in units redeemed		
- amount representing income and capital gains- transferred to income statement	9,346	(1,117)
- amount representing income and capital gains- transferred to distribution statement	415	(3,137)
	9,761	(4,254)
Other net income for the period	68,653	136,194
Capital (loss) / gain on sale of investments - net	(16,040)	29,617
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	732	4,442
Interim distribution during the period:		
- Cash dividend of Rs. 0.1211 (2012: 0.3479) per unit approved on 27 September 2013 (2012: 24 September 2012)	-	(2)
- Issue of 2,483,577 bonus units (2012: 9,350,584 units)	(24,836)	(93,506)
- Cash dividend of Rs. 0.1906 (2012: 0.2531) per unit approved on 30 December 2013 (2012: 26 December 2012)	(1)	(1)
- Issue of 2,931,157 bonus units (2012: 8,582,386 units)	(29,312)	(85,824)
Net income for the period less distribution	(804)	(9,080)
- Issue of 5,414,734 (2012: 17,932,970) bonus units	54,148	179,330
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed - transferred to distribution statement - net	(415)	3,137
Net assets as at end of the period	<u>1,566,695</u>	<u>3,257,370</u>
	----- Rupees -----	
Net assets value per unit at the beginning of the period	<u>10.0098</u>	<u>10.0289</u>
Net assets value per unit at the end of the period	<u>10.0078</u>	<u>10.0152</u>

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

For ABL Asset Management Company Limited  
(Management Company)

  
FARID AHMED KHAN  
CEO

  
KHAWAJA MUHAMMAD ALMAS  
DIRECTOR

**ABL INCOME FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2013**

	Six months period ended 31 December	
	2013	2012
Note	----- (Rupees in '000') -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period	53,345	170,253
<b>Adjustments:</b>		
Amortisation of preliminary expenses and floatation costs	224	503
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(732)	(4,442)
Provision for Worker's Welfare Fund	1,088	3,477
Provision for Federal Excise Duty	2,527	-
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed - net	9,346	(1,117)
	<u>65,798</u>	<u>168,674</u>
<b>(Increase) / decrease in assets</b>		
<b>Investments</b>	574,581	669,950
Profit receivable	3,717	(11,687)
Receivable against sale and maturity of investments	147,844	-
Security deposits, prepayments and other receivables	5,376	(130)
	<u>731,518</u>	<u>658,133</u>
<b>Increase / (decrease) in liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	(198)	(624)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(46)	(28)
Payable to the Securities and Exchange Commission of Pakistan	(1,353)	(2,891)
Payable against redemption of units	(3,011)	8,624
Dividend payable	1	-
Accrued expenses and other liabilities	(427)	98
	<u>(5,034)</u>	<u>5,179</u>
<b>Net cash generated from operating activities</b>	<b>792,282</b>	<b>831,986</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash distribution paid	-	(3)
Receipts from issuance of units	376,427	-
Payments on redemption of units	(1,349,395)	(696,026)
<b>Net cash used in financing activities</b>	<b>(972,968)</b>	<b>(696,029)</b>
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	<b>(180,686)</b>	<b>135,957</b>
Cash and cash equivalents at the beginning of the period	1,200,682	2,288,670
<b>Cash and cash equivalents at the end of the period</b>	<b>6.2 1,019,996</b>	<b>2,424,627</b>

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

For ABL Asset Management Company Limited  
(Management Company)

  
**FARID AHMED KHAN**  
 CEO

  
**KHAWAJA MUHAMMAD ALMAS**  
 DIRECTOR

**ABL INCOME FUND**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2013**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

ABL Income Fund (the Fund) was established under a Trust Deed executed on 16 June 2008 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed in accordance with the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules). The Securities and Exchange Commission of Pakistan (SECP) approved the revised /amended Trust Deed of the Fund on 6 June 2008. The Fund commenced its operations on 20 September 2008.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules, 2003, through a certificate issued by the SECP on 7 December 2007. The registered office of the Management Company is situated at 11-B, Lalazar, M.T Khan Road, Karachi.

The Fund is an open-ended mutual fund and is listed on the Karachi Stock Exchange Limited. The units of the Fund are offered to public for subscription on a continuous basis. The units are transferable and are redeemable by surrendering them to the Fund.

The Fund has been categorised as an open-end income scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CISs).

The objective of the Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium and long-term instruments, both within and outside Pakistan. The Fund, in line with its investment objectives, invests primarily in money and debt markets, certificate of investments, clean placements, spread transactions and other absolute return instruments.

Title to the assets of the Fund are held in the name of CDC as a Trustee of the Fund.

JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating of AM2 (stable outlook) to the Management Company as at 21 June 2013 and Fund Stability Rating of A+(f) to the Fund as at 17 January 2013.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

This condensed interim financial information of the Fund for the six months period ended 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 Trust Deed, the NBFC Rules and the NBFC Regulations. In case where requirements differ, the provisions of / or directives issued under the Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

The 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 2013.

**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 rupees.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the published financial statements of the Fund for the year ended 30 June 2013.

**4. ACCOUNTING ESTIMATES**

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

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied to financial statements as at and for the year ended 30 June 2013.



## 5. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2013.

## 6. BANK BALANCES - local currency

		(Un-audited) 31 December, 2013	(Audited) 30 June, 2013
	Note	----- (Rupees in '000') -----	
In profit and loss saving accounts	6.1	419,996	1,100,682
6.1	These accounts carry profit rates ranging between (30 June 2013: 6.00% to 9.60%) per annum. This includes balance of Rs. 5,720,876 (30 June 2013: Rs. 182,967,754) with Allied Bank Limited (related party) of the Fund.		

		(Un-audited) 31 December, 2013	(Audited) 30 June, 2013
	Note	----- (Rupees in '000') -----	
6.2	<b>Cash and cash equivalents</b>		
In profit and loss saving accounts	6	<u>419,996</u>	<u>1,100,682</u>
Term deposit receipts - having original maturity of 3 months or less	7.9.1	500,000	100,000
Letter of placement - having original maturity of 3 months or less	7.9.2	<u>100,000</u>	-
		<u>1,019,996</u>	<u>1,200,682</u>

## 7. INVESTMENTS

### Financial assets at fair value through profit or loss

Government treasury bills	7.1	-	659,110
Pakistan investment bonds	7.2	100,621	-
GoP Ijarah Sukuks	7.3	2,021	2,001
Term Finance Certificate - Listed	7.4	80,702	221,738
Term Finance Certificate - Unlisted	7.5	186,323	50,668
Other Sukuk Certificates	7.6	<u>190,000</u>	<u>100,000</u>
		559,667	1,033,517
<b>Loans and receivables</b>	7.9	<u>600,000</u>	<u>200,000</u>
		<u>1,159,667</u>	<u>1,233,517</u>

## 7.1 Government treasury bills

Issue date	Tenor	Face Value			Balance as at 31 December 2013			Market value as a percentage of net assets	Market value as a percentage of total market value of investments
		As at 1 July 2013	Purchased during the period	Disposed off / matured during the period	As at 31 December 2013	Carrying value	Market value		
(Rupees in '000)									
02 May 2013	3 Months	125,000	-	125,000	-	-	-	-	-
12 July 2013	3 Months	-	716,000	716,000	-	-	-	-	-
07 August 2013	3 Months	-	297,000	297,000	-	-	-	-	-
19 September 2013	3 Months	-	1,568,700	1,568,700	-	-	-	-	-
03 October 2013	3 Months	-	120,000	120,000	-	-	-	-	-
28 November 2013	3 Months	-	500,000	500,000	-	-	-	-	-
24 January 2013	6 Months	-	250,000	250,000	-	-	-	-	-
12 July 2013	6 Months	-	250,000	250,000	-	-	-	-	-
25 July 2013	6 Months	-	250,000	250,000	-	-	-	-	-
06 September 2012	12 Months	11,150	-	11,150	-	-	-	-	-
12 July 2013	12 Months	-	24,000	24,000	-	-	-	-	-
26 July 2013	12 Months	527,000	500,000	1,027,000	-	-	-	-	-
<b>Total</b>		<b>663,150</b>	<b>4,475,700</b>	<b>5,138,850</b>	-	-	-	-	-

## 7.2 Pakistan investment bonds

Issue date	Tenor	Face Value			Balance as at 31 December 2013			Market value as a percentage of net assets	Market value as a percentage of total market value of investments	
		As at 1 July 2013	Purchased during the period	Disposed off / matured during the period	As at 31 December 2013	Carrying value	Market value			Appreciation / (diminution)
(Rupees in '000)										
18 August 2011	5 Years	-	100,000	-	100,000	101,114	100,621	(493)	6.4%	8.7%
19 July 2012	5 Years	-	80,000	80,000	-	-	-	-	-	-
19 July 2012	5 Years	-	100,000	100,000	-	-	-	-	-	-
19 July 2012	10 Years	-	50,000	50,000	-	-	-	-	-	-
18 July 2013	3 Years	-	107,000	107,000	-	-	-	-	-	-
18 July 2013	5 Years	-	50,000	50,000	-	-	-	-	-	-
<b>Total</b>		-	<b>487,000</b>	<b>387,000</b>	<b>100,000</b>	<b>101,114</b>	<b>100,621</b>	<b>(493)</b>	<b>6.4%</b>	<b>8.7%</b>

## 7.3 GoP Ijarah Sukuks

Issue date	Coupon rate in % / tenor in years	Face Value			Balance as at 31 December 2013			Market value as a percentage of net assets	Market value as a percentage of total market value of investment	
		As at 1 July 2013	Purchased during the period	Disposed off / matured during the period	As at 31 December 2013	Carrying value	Market value			Appreciation / (diminution)
(Rupees in '000)										
16 May 2011	9.2640% / 3 Years	500	-	-	500	501	503	2	0.03%	0.04%
18 September 2012	9.05% / 3 Years	1,500	-	-	1,500	1,499	1,518	19	0.10%	0.13%
<b>Total</b>		<b>2,000</b>	-	-	<b>2,000</b>	<b>2,000</b>	<b>2,021</b>	<b>21</b>	<b>0.13%</b>	<b>0.17%</b>

#### 7.4 Term Finance Certificates (listed debt securities)

Name of the investee company	Notes	Profit / Mark-up rate	Number of Certificates				Balance as at 31 December 2013			Market value as a percentage of net assets	Market value as a percentage of total market value of investment
			As at 1 July 2013	Purchased during the period	Disposed off / matured during the period	As at 31 December 2013	Carrying value	Market value	Appreciation / (diminution)		
			(Numbers)				(Rupees in '000)				
Askari Bank Limited - II		6 months KIBOR plus 1.50%	6,000	-	6,000						
Pakistan Mobile Communication Limited		6 months KIBOR plus 1.65%	-	14,800	14,800						
Bank Al Falah-V	7.4.1	6 months KIBOR plus 1.25%	20,000	-	4,200	15,800	80,222	80,702	480	5.15%	6.95%
United Bank Limited - IV		6 months KIBOR plus 0.85%	18,100	-	18,100						
<b>Total</b>			<b>44,100</b>	<b>14,800</b>	<b>43,100</b>	<b>15,800</b>	<b>80,222</b>	<b>80,702</b>	<b>480</b>	<b>5.15%</b>	<b>6.9%</b>

7.4.1 These represent un-listed term finance certificates and carry a mark-up rate equal to the base rate of 6 months Karachi Inter Bank Offer Rate (KIBOR) per annum plus margin of 1.25% receivable quarterly in arrears with no floor or cap and will mature in 20 February 2021. These term finance certificates are unsecured. The rating of the instrument is AAA- as at 31 December 2013.

#### 7.5 Term Finance Certificates (unlisted debt securities)

Name of the investee company	Notes	Profit / Mark-up rate	Number of Certificates				Balance as at 31 December 2013			Market value as a percentage of net assets	Market value as a percentage of total market value of investment
			As at 1 July 2013	Purchased during the period	Disposed off / matured during the period	As at 31 December 2013	Carrying value	Market value	Appreciation / (diminution)		
			(Numbers)				(Rupees in '000)				
Standard Chartered Bank (Pakistan) Limited - PPTFC 6	7.5.1	6 months KIBOR plus 0.75%	10,200	16,000	4,000	17,200	85,595	86,323	728	5.51%	7.44%
4ciran Bank Limited - IV		6 months KIBOR plus 1.75%	-	8,400	8,400	-	-	-	-	-	-
Bank Al Falah-IV		6 months KIBOR plus 2.50%	-	8,750	8,750	-	-	-	-	-	-
WAPDA	7.5.2	6 months KIBOR plus 1.00%	-	20,000	-	20,000	100,000	100,000	-	-	-
<b>Total</b>			<b>10,200</b>	<b>53,150</b>	<b>26,150</b>	<b>37,200</b>	<b>185,595</b>	<b>186,323</b>	<b>728</b>	<b>5.51%</b>	<b>7.44%</b>

7.5.1 These represent un-listed term finance certificates and carry a mark-up rate equal to the base rate of 6 months Karachi Inter Bank Offer Rate (KIBOR) per annum plus margin of 0.75% receivable quarterly in arrears with no floor or cap and will mature in 29 June 2022. These term finance certificates are unsecured. The rating of the instrument is AAA as at 31 December 2013.

7.5.2 These represent un-listed term finance certificates and carry a mark-up rate equal to the base rate of 6 months Karachi Inter Bank Offer Rate (KIBOR) per annum plus margin of 1.00% receivable quarterly in arrears with no floor or cap and will mature in 27 September 2021. These term finance certificates are unsecured. The rating of the instrument is AAA as at 31 December 2013.

7.5.3 Outstanding term finance certificates carry coupon rates ranging from 9.84% to 10.48% per annum.

#### 7.6 Held for trading investments - Sukuk Certificates

Name of the investee company	Notes	Coupon rate in % / tenor in years	Face Value				Balance as at 31 December 2013			Carrying value as a percentage of net assets	Carrying value as a percentage of total market value of investment
			As at 1 July 2013	Purchased during the period	Disposed off / matured during the period	As at 31 December 2013	Cost	Carrying value	Appreciation / (diminution)		
			(Rupees in '000)				(Rupees in '000)				
HUBCO		10.70 % / 6 Months	100,000	-	100,000						
WAPDA	7.6.1	10.48% / 8 years	-	190,000	-	190,000	190,000	190,000	-	12.1%	16.38%
<b>Total</b>			<b>100,000</b>	<b>190,000</b>	<b>100,000</b>	<b>190,000</b>	<b>190,000</b>	<b>190,000</b>	<b>-</b>	<b>12.1%</b>	<b>16.38%</b>

7.6.1 This sukuk certificates having a face value of Rs. 5,000 each and carry a rate of mark-up equal to the base rate of 6 months of Karachi Inter Bank Offer Rate (KIBOR) plus margin of 1.00%. These sukuk certificates will mature on 14 October 2021.

## 7.7 Shares of listed companies

Name of the investee company	Number of shares			Balance as at 31 December 2013			Market value as a percentage of net assets	Market value as a percentage of total market value of investments	Market value as a percentage of paid-up capital of investee company
	At at 1 July 2013	Purchased during the period	Sales during the period	At at 31 December 2013	Carrying value	Market value			

(Numbers) (Rupees in '000)

### Shares of listed companies - Fully paid ordinary shares of Rs. 10 each unless stated otherwise

<b>Personal Goods</b>									
Nislati Clothing Limited		256,500	256,500						
Nislati Mills Limited		314,500	314,500						
		571,000	571,000						
<b>Construction &amp; Materials</b>									
D.G Khan Cement Company Limited		1,003,000	1,003,000						
Lucky Cement Limited		36,000	36,000						
		1,039,000	1,039,000						
<b>Chemicals</b>									
Fajri Fertilizer Company Limited		7,500	7,500						
Fajri Fertilizers Bin Qasim Limited		36,000	36,000						
Engro Corporation Limited		511,000	511,000						
		557,500	557,500						
<b>Oil and Gas</b>									
Attock Refinery Pakistan Limited		15,000	15,000						
Pakistan State Oil Company		149,500	149,500						
Pakistan Petroleum Limited		217,500	217,500						
		382,000	382,000						
<b>Food Producers</b>									
Engro Foods Limited		93,000	93,000						
		93,000	93,000						
<b>Non Life Insurance</b>									
Adamanj Insurance Company Limited		46,500	46,500						
		46,500	46,500						
<b>Commercial Banks</b>									
National Bank of Pakistan		594,500	594,500						
		594,500	594,500						
<b>Fixed Line Telecommunication</b>									
Pakistan Telecommunication Company Limited		1,686,000	1,686,000						
		1,686,000	1,686,000						
<b>Total</b>		<b>4,969,500</b>	<b>4,969,500</b>						

## 7.8 Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net

Fair value of investments classified as 'at fair value through profit or loss'

Cost of investments classified as 'at fair value through profit or loss'

Note	(Un-audited) 31 December, 2013	(Audited) 30 June, 2013
	(Rupees in '000')	
	1,159,667	1,033,517
	1,158,935	1,033,006
	<u>732</u>	<u>511</u>

## 7.9 Loans and receivables

Term deposit receipts

- having original maturity of 3 months or less

- having original maturity of more than 3 months

Letter of placements

7.9.1	500,000	100,000
	-	100,000
7.9.2	100,000	-
	<u>600,000</u>	<u>200,000</u>

7.9.1 Term deposit receipts carry mark-up at rates ranging from 10.12% to 10.50% (30 June 2013: 9.95% to 10.25%) per annum and maturities ranging from 20 January 2014 to 29 January 2014 (30 June 2013: 22 July 2013 to 4 October 2013).

7.9.2 Letter of placement carry mark-up rate of 10.20% per annum will mature on 27 January 2014.

**8. PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY**

The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, of an amount not exceeding three percent per annum of the average daily net assets of the Fund during first five years of the Fund's existence and thereafter an amount equal to two percent per annum of such assets of the Fund. Currently, the Management Fee is charged at the rate 1.50% of the average daily net assets of the Fund. Remuneration to the management company charged to the Fund during the period includes imposed tax.

		(Un-audited) 31 December, 2013	(Audited) 30 June, 2013
	Note	----- (Rupees in '000') -----	
Remuneration		2,068	2,910
Sindh sales tax on Management Company's remuneration	8.1	779	466
FED payable on Management Company's remuneration	8.2	2,807	-
Sales load payable		51	-
		<u>5,705</u>	<u>3,376</u>

8.1. The Sindh Government has levied Sindh Sales Tax at the rate of 16% on the remuneration of the Management Company and sales load through Sindh Sales Tax on Services Act, 2011 effective from 01 July 2011.

8.2. As per the requirement of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law. The matter has been taken up collectively by the Mutual Fund Association of Pakistan where various options are being considered. During the period, the Honourable High Court Sindh in a Constitutional petition relating to levy of Federal Excise Duty (FED) on Mutual Fund has granted stay order for the recovery of Federal Excise Duty (FED). As a matter of abundant caution, the Management Company has made a provision with effect from 13 June 2013, aggregating to Rs. 2.807 million. Had the provision not being made, the Net Asset Value per unit of the fund as at 31 December 2013 would have been higher by 0.021 per unit.

**9. PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE**

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets of the Fund. The remuneration is paid to the Trustee monthly in arrears. The tariff structure applicable to the Fund as at 31 December 2013 was as follows:

Net assets value	Tariff per annum
Upto Rs 1 billion	Rs 0.6 million or 0.17 percent per annum of NAV whichever is higher.
Rs 1 billion to Rs 5 billion	Rs 1.7 million plus 0.085 percent per annum of NAV exceeding Rs 1 billion.
Over Rs 5 billion	Rs 5.1 million plus 0.07 percent per annum of NAV exceeding Rs 5 billion.

		(Un-audited) 31 December, 2013	(Audited) 30 June, 2013
	Note	----- (Rupees in '000') -----	
<b>10. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration		209	286
Brokerage		266	174
Printing and others charges		25	239
Provision for Workers' Welfare Fund	11	33,507	32,418
Withholding taxes		90	169
Payable to JCR		109	-
Provision for Federal Excise Duty		-	280
Other payable		65	44
		<u>34,271</u>	<u>33,610</u>

## 11. PROVISION FOR WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their Trustees in the Honourable High Court of Sindh (SHC), challenging the applicability of WWF to CISs, which is pending adjudication.

Prior to 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF. This clarification was forwarded by the Federal Board of Revenue (FBR) (being the collecting agency of WWF on behalf of the Ministry) to its collectorates for necessary action. Based on this clarification, FBR also withdrew notice of demand which it had earlier issued to one of the funds managed by ABL Asset Management Company Limited for collection of WWF.

In 2012, the Honourable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 declared the said amendments as unlawful and unconstitutional. In March 2013, a large bench of Sindh High Court (SHC) in various Constitutional Petitions declared that amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 do not suffer from any constitutional or legal infirmity. However, the Honourable High Court of Sindh has not addressed the other amendments made in WWF Ordinance 1971 about applicability of WWF to the CISs which is still pending before the court.

The Management Company believes that the aforementioned constitutional petition pending in SHC has strong grounds for decision in favour of the mutual funds. However, the management as a matter of abundant caution has recognised WWF charge amounting to Rs. 33.507 million which includes Rs.1.088 million pertaining to the current financial period and Rs. 32.419 million pertaining to prior period. Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.214 (2.14%).

## 12. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at 31 December 2013.

## 13. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule of 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. 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 unrealised capital gains to the unit holders. The management intends to distribute at least 90% of the Fund's accounting income for the year ending 30 June 2014 as reduced by capital gain (whether realized or unrealized) to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Accordingly, no provision for taxation has been made in this condensed interim financial information.

## 14. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include ABL Asset Management Company Limited being the Management Company, Allied Bank Limited, ABL Asset Management Company Limited - Staff Provident Fund, Allied Bank Limited - Employees Superannuation (Pension) Fund, Allied Bank Limited - Staff Provident Fund, Cyan Limited, Cyan Limited - Employees Provident Fund and CFA Association of Pakistan being entities under common management and / or directorship, the Central Depository Company of Pakistan limited being the Trustee of the Fund, the directors and officers of the Management Company and Habib Metropolitan Bank Limited being connected person.

- 14.1 Transactions with connected persons / related parties are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 14.2 Remuneration to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.
- 14.3 Remuneration payable to the Trustee is determined in accordance with the provisions of the Trust Deed.

14.4 Transactions and balances with related parties other than those disclosed elsewhere are as follows:

	(Un-audited)	
	31 December, 2013	31 December, 2012
	----- (Rupees in '000') -----	
<b>Transactions during the period:</b>		
<b>ABL Asset Management Company Limited - Management Company</b>		
Bonus issue 814,015 units (2012: 319,998 units)	8,140	3,200
Remuneration to the Management Company	15,792	22,875
Sindh Sales tax on Management Company's Remuneration	2,931	3,660
FED on remuneration of the Management Company	2,527	-
<b>Allied Bank Limited-Holding Company of Management Company</b>		
Redemption of NIL units ( 2012: 75,000,000 units)	-	754,733
Mark-up income on bank deposits	1,379	5,668
Bank charges	58	12
Mark-up income on term deposits receipt	2,668	-
<b>Habib Metropolitan Bank Limited -Connected person</b>		
Bonus issue 566,447 units ( 2012: NIL units)	5,664	-
Redemption of 11,457,096 units ( 2012: NIL units)	71,000	-
Mark-up income on bank deposits	11	-
Government treasury bills purchased during the period	73,000	-
Pakistan investment bonds sold during the period	50,000	-
<b>CFA Association of Pakistan</b>		
Bonus issue 5,843 units (2012: Nil units)	58	-
<b>TRUSTEE</b>		
<b>Central Depository Company of Pakistan Limited</b>		
Remuneration for the period	1,323	1,725
CDS Connection Fee	69	7
<b>CHAIRMAN OF THE MANAGEMENT COMPANY</b>		
<b>Sheikh Mukhtar Ahmad</b>		
Bonus issue 515 units (2012: 908 units)	5	9
<b>DIRECTORS OF THE MANAGEMENT COMPANY</b>		
<b>Mr. Muhammad Javaid Iqbal</b>		
Redemption of 29,955 units ( 2012: NIL units)	300	-
Bonus issue 3,650 units (2012: 5,331 units)	37	53
<b>Tariq Mahmood</b>		
Bonus issue 7,025 units (2012: 6,826 units)	70	68
<b>KEY MANAGEMENT PERSONNEL</b>		
<b>Chief Executive Officer</b>		
Bonus issue 38,670 units (2012: 71,259 units)	387	715
Redemption 98,485 units (2012: NIL units)	1,000	-
<b>Executives</b>		
Bonus issue NIL units (2012: 1,163 units)	-	12
Redemption of NIL units (2012: 34,603 units)	-	346



	(Un-audited) 31 December, 2013	(Audited) 30 June, 2013
	----- (Rupees in '000') -----	
<b>Balance as at period / year end:</b>		
<b>ABL Asset Management Company Limited - Management Company of the Fund</b>		
Outstanding 26,737,377 units (30 June 2013: 25,923,362 units)	<u>267,582</u>	<u>259,488</u>
Remuneration payable to Management Company	<u>2,068</u>	<u>2,910</u>
Sindh sales tax on remuneration of the Management Company	<u>779</u>	<u>466</u>
Federal Excise Duty Payable to the Management Company	<u>2,807</u>	<u>280</u>
Sales load Payable to Management Company	<u>51</u>	<u>-</u>
<b>Allied Bank Limited-Holding Company of the Management Company</b>		
Bank balances	<u>5,721</u>	<u>182,967</u>
Mark - up accrued on deposits	<u>50</u>	<u>690</u>
Term deposit receipts	<u>-</u>	<u>100,000</u>
Mark up accrued on term deposit receipt	<u>-</u>	<u>7,554</u>
<b>Habib Metropolitan Bank Limited</b>		
Outstanding 16,871,242 units (30 June 2013: 27,761,891 units)	<u>168,844</u>	<u>277,891</u>
Balances held in savings accounts	<u>199</u>	<u>350</u>
<b>CFA Association Of Pakistan</b>		
Outstanding 191,922 units (30 June 2013: 186,079 units)	<u>1,921</u>	<u>1,863</u>
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration and CDC connection fee payable	<u>189</u>	<u>235</u>
Security deposits receivable	<u>100</u>	<u>100</u>
<b>CHAIRMAN OF THE MANAGEMENT COMPANY</b>		
<b>Sheikh Mukhtar Ahmad</b>		
Outstanding 16,906 units (30 June 2013: 16,391 units)	<u>169</u>	<u>164</u>
<b>DIRECTORS OF THE MANAGEMENT COMPANY</b>		
<b>Muhammad Javaid Iqbal</b>		
Outstanding 119,894 units (30 June 2013: 146,199 units)	<u>1,200</u>	<u>1,463</u>
<b>Tariq Mahmood</b>		
Outstanding 230,760 units (30 June 2013: 223,735 units)	<u>2,309</u>	<u>2,239</u>
<b>KEY MANAGEMENT PERSONNEL</b>		
<b>Chief Executive Officer</b>		
Outstanding 1,231,461 units (30 June 2013: 1,291,276 units)	<u>12,324</u>	<u>12,925</u>

15. **DATE OF AUTHORIZATION FOR ISSUE**

15.1 This condensed interim financial information was authorised for issue on February 7, 2014 by the Board of Directors of the Management Company.

16. **GENERAL**

This condensed interim financial information is unaudited and have been reviewed by the auditors. Furthermore, the figures for the quarter ended 31 December 2012 and 31 December 2013 in this condensed interim financial information where ever appeared have not been reviewed by the auditors.

For ABL Asset Management Company Limited  
(Management Company)

  
FARID AHMED KHAN  
CEO

  
KHAWAJA MUHAMMAD ALMAS  
DIRECTOR



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