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CONDENSED INTERIM FINANCIAL INFORMATION
For The Nine Months Ended March 31, 2015

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ABL ISLAMIC PRINCIPAL PRESERVATION FUND II

FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited 11 - B, Lalazar M. T. Khan Road, Karachi.	
Board of Directors	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tariq Mahmood Mr. Kamran Nishat Mr. Muhammad Kamran Shehzad Mr. Tahir Yaqoob Bhatti Mr. Farid Ahmed Khan	Chairman CEO
Audit Committee:	Mr. Kamran Nishat Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad	Chairman Member Member
Human Resource and Remuneration Committee	Mr. Muhammad Waseem Mukhtar Mr. Kamran Nishat Mr. Tahir Yaqoob Bhatti Mr. Farid Ahmed Khan	Chairman Member Member Member
Chief Executive Officer of The Management Company:	Mr. Farid Ahmed Khan	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Mubeen Ashraf Bhimani	
Trustee:	MCB Financial Services Limited. 3rd Floor, Adamjee House, I.I Chundrigar Road, Karachi - 74400.	
Bankers to the Fund:	Allied Bank Limited Askari Bank Limited	
Auditor:	A.F. Ferguson & Co Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor:	Bawaney & Partners 3rd & 4th Floors, 68-C, Lane-13 Bokhari Commercial Area Phase-VI, DHA Karachi.	
Registrar:	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	

ABL ISLAMIC PRINCIPAL PRESERVATION FUND II

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Islamic Principal Preservation Fund (ABL-IPPF-II), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Islamic Principal Preservation Fund II for the nine months ended March 31, 2015.

ECONOMIC PERFORMANCE REVIEW

The economy continued its recovery march in 3QFY15 with major macro indicators such as CPI, FX reserves and CAD etc. posting impressive improvements. Windfall gains from the drop in oil prices (Brent crude down by - 58.62%FYTD) remained the major contributor towards improvement in aforementioned indicators. IMF program, albeit with some problems on the fiscal front, also continued smoothly with clearance of 6th review of the EFF program and disbursement of USD 501mn tranche. With receipt of 1) IMF tranche, and 2) USD 717mn under CSF during the quarter, FX reserves edged up to USD 16.19bn (4.6 months import cover), up 6% from USD 15.27bn at the end of 2QFY15.

The decline in oil prices and receipt of CSF had noticeable impact on current account as the country managed to post a surplus of USD 961mn at the end of 3QFY15. The only disconcerting factor in external trade numbers is the constant decline in exports (down 4.7% QoQ) mainly on account of lower cotton and allied product prices. However, external account position by and large looks comfortable as FX reserves are expected to improve further in the short-medium term on the back of USD 764mn inflow from HBL, CSF and loans from other donor agencies.

Inflation, as measured by the CPI, continued its downwards slide with Mar-15 reading clocking-in at an 11-year low of 2.49%YoY against 8.5%YoY recorded in Mar-14. CPI average during 9MFY15 now stands at a multi-year low of 5.1%YoY (8.64%YoY in 9MFY14) and is expected to close FY15 in the range of 4.2 - 4.5%. On the other hand, performance on fiscal front remained below par as govt. missed its revenue collection target and had to obtain waiver from IMF on this performance criteria. The shortfall in revenue collection numbers was due to slower GDP growth and lower than expected GST collection on POL products (courtesy steep decline in oil prices). Though GoP took corrective measures by increasing GST on POL products from 17% to 27% but it failed to meet its targets nonetheless. IMF is maintaining its fiscal deficit estimate of 4.9% for FY15 but the actual number may be around 5%, keeping in view the higher defense and interest expenses, unless the government again slices through the budgeted development expenditure.

In the backdrop of aforementioned macroeconomic developments, SBP cut its benchmark DR by a cumulative 150bps in two successive MPS in January and March 2015 and further easing is possible due to high real interest rate levels (~400bps). Moody's has also upgraded its credit outlook on Pakistan from Stable to Positive, appreciating the improving macros and citing progress on Pak-China economic corridor. These developments could result in enhanced FDI flows (stronger financial account), higher infrastructure spending and improvement in economic growth going forward.

MARKET OVERVIEW

Equities started the calendar year on a strong note, with the benchmark KSE 100 Index posting 8% return in just about a month to achieve record high level of ~34,800, mainly on account of improving macros, healthy foreign inflows and monetary easing. However the tide quickly turned as foreign selling pushed the market in a bearish spell and the index tumbled by 5.9% to end the quarter at 30,224 - the worst quarterly performance since Dec 2008. The correction permeated all sectors (Oil & Gas, Banks, Chemicals, Cements and Textile) with specific focus on the stocks having considerable foreign interest. Foreign Investors' Portfolio Investment (FIPI) witnessed a massive outflow of USD131 mn in 3QFY15 (outflow of USD18 mn in 9MFY15) compared to inflow of USD36 mn in 3QFY14 (USD23 mn in 9MFY14). Part of the outflow was on account of liquidation of a foreign fund with holdings in Pakistan equities.

Market Liquidity also suffered with average daily trading volume coming down to 239mn shares/day in 3QFY15 compared to 256mn shares during same period last year. Moving ahead, we believe that improving macros (falling inflation, continuation of monetary easing, improving external account outlook), strong corporate profitability growth and healthy foreign interest (evident from massive foreign participation in HBL SPO) should keep the equities in limelight. KSE is still trading at a deep discount compared to regional peers with FY15 P/E of 8.1x and an attractive dividend yield of 5.8%.

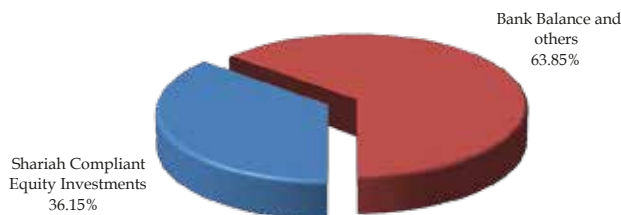
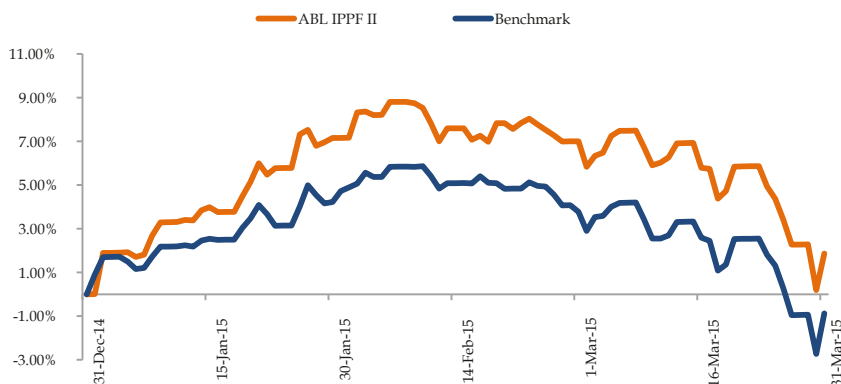
MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of Pakistan's open end mutual fund industry grew by 5.6% in 3QFY15 from

PKR439.5 billion to PKR464.2 billion, led by fixed income fund and Islamic fund categories. The fixed income fund category remained in limelight primarily due to higher returns from gains on PIB portfolio and registered an increase of 13.7% in 3QFY15 from PKR89 billion in December 2014 to PKR 101.3 billion in March 2015. Investors continued to show their bias towards Islamic funds of funds category with addition of new funds during the period under review, which expanded the AUM size by PKR4 billion (24.8%) to PKR16.2 billion from PKR12.2 billion in December 2014. Consequently, Islamic income funds category posted an impressive growth of 19.8% in AUMs from PKR25.8 billion in December 2014 to PKR30.9 billion. A noticeable drop was witnessed in conventional money market funds which declined by 15.6% to close at PKR90.5 billion from PKR107.2 billion in December 2014. On the other hand, asset allocation and Islamic Asset allocation funds managed to post an increase of 51.6% and 14.0%, respectively. We believe investors will continue to prefer income and equity funds due to bullish outlook on those asset classes.

FUND PERFORMANCE

ABL-IPPF II increased by 1.86% during period under review against 0.87% decrease in its benchmark, which reflects an outperformance of 273 basis points. Fund is using a median gradient of 3.5 times under the CPPI methodology for principal preservation. The fund has already locked in a return of 8% and followed a gradient of 3-4x during the period to access the equity market.



AUDITORS

M/s. A.F. Fergusons & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2015 for ABL Islamic Principal Preservation Fund-II (ABL-IPPF-II).

MANAGEMENT QUALITY RATING

On December 31, 2014, JCR-VIS Credit Rating Company Limited has reaffirmed the Management Quality Rating of ABL Asset Management Limited (ABL AMC) at 'AM Two' (AM2). Outlook on the assigned rating is 'Stable'.

OUTLOOK

Looking ahead, we expect SBP to continue with the monetary easing stance till next fiscal year in the backdrop of improved macro-economic conditions and historically low inflation numbers. Moreover, we believe country's forex

reserves will be in comfortable position owing to lower oil prices, dollar flows related to multilateral agencies (WB, IMF & ADB), privatization flows and healthy remittances. This will in turn provide critical space to central bank and fiscal managers to pursue growth-oriented economic policies.

After a bout of profit taking, we believe that Pakistan equities are now offering attractive entry levels. HBL's secondary offering and positive news flow from Pak-China investment forum have breathed a new lease of optimism in the market and we expect foreign funds to return soon. Given the strong macro tailwinds and magnitude of recent correction, we assess now to be the right time for accumulating quality, value-driven stocks.

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 (MCB Financial Services Ltd.) and the management of Islamabad Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

For & on behalf of the Board


Farid Ahmed Khan
Chief Executive Officer

Karachi, April 29, 2015

ABL ISLAMIC PRINCIPAL PRESERVATION FUND II
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2015

	Note	(Un-audited) March 31, 2015	(Audited) June 30, 2014
----- (Rupees in '000) -----			
Assets			
Balances with Banks	4	573,015	557,419
Investments	5	392,105	470,939
Profit receivable		3,732	3,963
Preliminary expenses and floatation costs		1,036	1,816
Receivable against investment		115,000	-
Prepayments		6	-
Total assets		1,084,894	1,034,137
Liabilities			
Payable to ABL Asset Management Company Limited -Management Company	6	2,336	2,933
Payable to MCB Financial Services Limited -Trustee		76	63
Payable to the Securities and Exchange Commission of Pakistan		602	151
Accrued expenses and other liabilities	7	2,864	1,102
Total liabilities		5,878	4,249
Contingencies and commitments	8	-	-
Net assets		1,079,015	1,029,888
Unit holders' funds (as per statement attached)		1,079,015	1,029,888
Number of units in issue		98,069,716	101,538,982
Net assets value per unit		11.0025	10.1428

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.


FARID AHMED KHAN
 CEO

For ABL Asset Management Company Limited
 (Management Company)


KAMRAN NISHAT
 DIRECTOR

ABL ISLAMIC PRINCIPAL PRESERVATION FUND II
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2015

	Note	For the Nine months ended March 31, 2015	For the Quarter ended March 31, 2015
----- (Rupees in '000) -----			
Income			
Profit on deposits with banks		26,391	4,857
Income from government securities		4,941	2,282
Capital (loss) / gain on sale of investments - net		42,087	41,354
Back-end load Income		197	73
Unrealised gain / (loss) on re-measurement of investments at fair value through profit or loss' (net)	5.3	21,947	(25,709)
Total income		95,563	22,857
Expenses			
Remuneration of ABL Asset Management Company Limited - Management Company		3,595	896
Sindh Sales Tax on remuneration of Management Company	6.2	626	156
Federal Excise Duty on remuneration of Management Company	6.3	575	143
Remuneration of MCB Financial Services Limited -Trustee		641	221
Annual fee - Securities and Exchange Commission of Pakistan		602	207
Auditors' remuneration		188	62
Amortisation of preliminary expenses and floatation costs		780	257
Printing charges		56	18
Listing fee		19	6
Brokerage		61	23
Bank Charges		8	-
Total expenses		7,151	1,989
Net income from operating activities		88,412	20,869
Element of (Loss) and capital (Losses) included in prices of units issued less those in units redeemed (net)		(2,375)	(1,630)
Provision for Workers' Welfare Fund	7.1	(1,721)	(397)
Net income for the period before taxation		84,316	18,841
Taxation	9	-	-
Net income for the period after taxation		84,316	18,841
Other comprehensive income for the period			
Total comprehensive income for the period		84,316	18,841

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.


FARID AHMED KHAN
 CEO

For ABL Asset Management Company Limited
 (Management Company)


KAMRAN NISHAT
 DIRECTOR

ABL ISLAMIC PRINCIPAL PRESERVATION FUND II
CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2015

For the Nine
 month ended
 March 31,
 2015
 (Rupees in '000)

Undistributed income brought forward comprising of	
- Realised	555
- Unrealised	13,939
	14,494
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	(495)
Net income for the period after taxation	84,316
Undistributed income carried forward	98,315
Undistributed income at the end of the period:	
- Realised	76,368
- Unrealised	21,947
	98,315

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.


 FARID AHMED KHAN
 CEO

For ABL Asset Management Company Limited
 (Management Company)


 KAMRAN NISHAT
 DIRECTOR

ABL ISLAMIC PRINCIPAL PRESERVATION FUND II
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2015

	For the Nine month ended March 31, 2015
	(Rupees in '000)
Net assets at the beginning of the period	1,029,888
Redemption of 3,469,266 units	(37,564)
Element of income and capital gains in prices of units issued less those in units redeemed	
- transferred to income statement	2,375
- transferred to distribution statement	495
	2,870
Capital gain on sale of investment-net	42,087
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss	21,947
Other net income for the period	20,282
	84,316
Element of (loss) / income and capital (loss) / gains included in prices of units issued less those in units redeemed - transferd to distribution statement - net	(495)
Net assets at the end of the period	1,079,015

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.


FARID AHMED KHAN
 CEO

For ABL Asset Management Company Limited
 (Management Company)


KAMRAN NISHAT
 DIRECTOR

ABL ISLAMIC PRINCIPAL PRESERVATION FUND II
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2015

	Note	For the Nine month ended March 31, 2015
(Rupees in '000)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before taxation		84,316
Adjustments:		
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss		(21,947)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net		2,375
Provision for Workers' Welfare Fund		1,721
Federal excise duty on remuneration of the Management Company		575
Amortisation of preliminary expenses and floatation costs		780
		67,820
(Increase) / decrease in assets		
Investments		100,781
Profit receivable		231
Prepayments and other receivables		(115,006)
		(13,994)
Increase / (decrease) in liabilities		
Payable to ABL Asset Management Company Limited- Management Company		(1,172)
Payable to MCB Financial Services Limited- Trustee		13
Annual fee payable to Securities and Exchange Commission of Pakistan		451
Accrued expenses and other liabilities		41
		(667)
Net cash generated from operating activities		53,160
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount paid on redemption of units		(37,564)
Net cash used in financing activities		(37,564)
Net increase in cash and cash equivalents during the period		15,596
Cash and cash equivalents at beginning of the period		557,419
Cash and cash equivalents at end of the period	4	573,015

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.


FARID AHMED KHAN
 CEO

For ABL Asset Management Company Limited
 (Management Company)


KAMRAN NISHAT
 DIRECTOR

ABL ISLAMIC PRINCIPAL PRESERVATION FUND II

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2015

1. LEGAL STATUS AND NATURE OF BUSINESS

ABL Islamic Principal Preservation Fund II (the Fund) was established under a Trust Deed executed between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on February 3, 2014 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Trust Deed was executed on February 13, 2014.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the SECP on 7 December 2007. Title to the assets of the Fund is held in the name of MCB Financial Services Limited as the Trustee of the Fund. The registered office of the Management Company is situated at 11-B, Lalazar, MT Khan Road, Karachi.

The Fund has been categorised as an open-end Shariah Compliant Fund of Fund Scheme as per the criteria laid down by the SECP for categorisation of Collective Investment Scheme (CIS). The units of the Fund are listed on the Islamabad Stock Exchange.

The objective of the Fund is to provide higher risk adjusted return through investment in dynamic asset allocation between Shariah Compliant Equity Schemes and Shariah Compliant Income / Money Market Scheme.

JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating of 'AM2' (stable outlook) to the Management Company. The Fund has not yet been rated.

The Fund commenced its operations from March 31, 2014. The duration of the Fund is twenty four (24) months from the commencement of the life of the Fund and the Fund shall automatically be dissolved after the aforementioned period on March 30, 2016. Based on the above, the management has assessed and concluded that the Fund is not a going concern. The management has continued to measure the Fund's assets and liabilities principally in accordance with the basis of measurement disclosed in note 3 to the financial statements for the period ended June 2014, and also further elaborated in note 3 of this condensed interim financial information. However, in preparing these financial statements the management has given due consideration to the fact that the measurement of assets and liabilities may be affected by changes in judgements that can arise when the going concern assumption ceases to be valid.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These Condensed Interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. The approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published financial statements of the Fund for the period ended June 30, 2014.

In compliance with Schedule V of the Non Banking Finance Companies and Notified Entities Regulations, 2008, 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, 2015.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, JUDGMENTS AND CHANGES THEREIN

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the period ended June 30, 2014.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. It also require the management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumption are based on historical experience and various others factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future period.

The significant judgments made by management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that applied to the financial statements as at and for the period ended June 30, 2014.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the period ended June 30, 2014.

Certain amendments to approved accounting standards have been published and are mandatory for the Fund's accounting period beginning on or after July 1, 2014. None of these amendments have a significant effect on this condensed interim financial information.

		(Un-audited) March 31, 2015	(Audited) June 30, 2014
		----- (Rupees in '000) -----	
4	BANK BALANCES		
	Balances with banks in:		
	- Current accounts	4.1 2,617	3,608
	- Profit and loss saving accounts	4.2 570,397	553,811
		<u>573,015</u>	<u>557,419</u>

4.1 This includes balance of Rs. 2,617,341 with Allied Bank Limited (related party) of the Fund.

4.2 Profit and loss sharing accounts carries profit rates ranging from 7.73% to 7.83% per annum. (2014: 4.93% to 9.10%)

5	INVESTMENTS	Note	(Un-audited)	(Audited)
			March 31, 2015	June 30, 2014
			----- (Rupees in '000) -----	
Financial assets at 'fair value through profit or loss'				
	Units of a Mutual Fund	5.1	392,105	470,939
	GOP Ijara Sukuk	5.2	-	-
	Total Investments		<u>392,105</u>	<u>470,939</u>

5.1 Units of a Mutual Fund

Name of the Fund	Number of Units				As at March 31, 2015	As at 31 March 2015			Market value as a % of net assets	Market value as a percentage of Market value
	As at July 1, 2014	Purchased during the period	Bonus received during the period	Redeemed during the period		Carrying value	Market value	Appreciation		

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

ABL Islamic Stock Fund										
- a related party	45,175,746	46,434,719	-	58,359,219	33,251,246	370,158	392,105	21,947	36%	100%
	<u>45,175,746</u>	<u>46,434,719</u>	<u>-</u>	<u>58,359,219</u>	<u>33,251,246</u>	<u>370,158</u>	<u>392,105</u>	<u>21,947</u>	<u>36%</u>	<u>100%</u>

5.2 GOP IJARA Sukuk

Name of the investee company	Profit/Markup Rate	Face Value			As at March 31, 2015	As at 31 March 2015			Market value as a percentage of net assets
		As at July 1, 2014	Purchased during the period	Disposed of/ matured during the period		Carrying value	Market value	Appreciation/ (diminution)	

GOP IJARA 9	6 months KIBOR plus 1.2%	-	87,100	87,100	-	-	-	-	-
			<u>87,100</u>	<u>87,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

5.3	Net unrealised appreciation in the value of investments classified as 'at fair value through profit or loss'	Note	(Un-audited)	(Audited)
			March 31, 2015	June 30, 2014
			----- (Rupees in '000) -----	
	Fair value of investment		392,105	470,939
	Carrying value of investment		(370,158)	(457,000)
	Net unrealised appreciation in the value of investments 'at fair value through profit or loss'		<u>21,947</u>	<u>13,939</u>

6	PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY	Note	(Un-audited)	(Audited)
			March 31, 2015	June 30, 2014
			----- (Rupees in '000) -----	
	Remuneration of the Management Company	6.1	392	409
	Sindh Sales Tax Payable on remuneration of the Management Company	6.2	163	92
	Federal excise duty on the remuneration of the Management Company	6.3	741	166
	Sales Load		-	188
	Preliminary expenses and floatation costs		1,040	2,078
			<u>2,336</u>	<u>2,933</u>

- 6.1 Under the provision of the Non Banking Finance Companies and Notified Entities Regulations 2008, the Management Company of the Fund is entitled to a remuneration during the first five years of the Fund, of an amount not exceeding 3 percent of the average annual net assets of the fund and thereafter of an amount equal to 2 percent of such assets of the fund. Further, as per the requirement of NBFC Regulations the Management Company shall not charge any fee if the funds makes investment in CIS managed by same Management Company. Management company charges remuneration at the rate of 1% per annum based on the daily net assets of the Fund after deducting the investment made in the CIS managed by the Management Company during the period ended March 31, 2015. The amount of remuneration is paid monthly in arrears.
- 6.2 The Provincial Government of Sindh has levied Sindh sales tax at the rate of 15% (June 2014 : 16%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 6.3 As per the requirements 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 as explained in note 6.2, further levy of FED may result in double taxation, which does not appear to be the spirit of the law.

The matter has been collectively taken up by the Management Company jointly with other Asset Management Companies together with their respective Collective Investment Schemes through their trustees, through a Constitutional Petition filed in the Honourable Sindh High Court (SHC) during September 2013 challenging the levy of FED. In this respect, the SHC has issued a stay order against the recovery of FED and the hearing of the petition is still pending.

Pending decision of the SHC, the Fund is not making payments for FED. However, the Fund, as a matter of abundant caution, has made full provision in respect of FED amounting to Rs 0.7409 million. Had the provision not been made the net asset value per unit of the Fund as at March 31, 2015 would have been higher by Rs 0.0075 per unit.

	Note	(Un-audited) March 31, 2015	(Audited) June 30, 2014
------(Rupees in '000)-----			
7 ACCRUED AND OTHER LIABILITIES			
Auditors' remuneration		197	250
Printing Charges		88	75
Provision for Workers' welfare Fund	7.1	2,292	572
Listing Fee		-	30
Rating Fee		175	175
Brokerage payable		61	-
Others		51	-
		2,864	1,102

7.1 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.

Subsequently 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 decided to retain the provision for WWF amounting to Rs. 2.292 Million in these financial statements. (including Rs 1.721 million for the current period) in this condensed interim financial information. Had the same not been made, the net asset value per unit of the Fund as at March 31, 2015 would have been higher by Re 0.0234 per unit

8 CONTINGENCIES AND COMMITMENTS

There are no other contingencies or commitments as at 31 March 2015.

9 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders. The Fund has not recorded provision for taxation as the Management Company has distributed at least ninety percent of the Fund's accounting income for the period as reduced by capital gains, whether realised or unrealised, to its unit holders.

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.

10 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the management the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

	(Un-audited) March 31, 2015
11 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS	Rupees in '000

11.1 Detail of transactions with related parties / connected persons are as follows:

ABL Asset Management Company Limited - Management Company

Remuneration of the Management Company	3,595
Sindh Sales Tax on remuneration of Management Company	626
FED on remuneration of Management Company	575

MCBFSL Trustee ABL Islamic Stock Fund

46,434,718 units purchased	537,099
58,359,219 units sold	678,499

MCB Financial Services Limited - Trustee

Remuneration for the period	641
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(Un-audited) March 31, 2015	(Audited) June 30, 2014
------(Rupees in '000)-----	

11.2 Detail of amounts outstanding as at period end:

ABL Asset Management Company Limited - Management Company		
Remuneration payable to the Management Company	392	409
Sindh sales tax payable on remuneration of Management Company	163	92
FED payable on remuneration of Management Company	741	166
Preliminary expenses and floatation cost payable	1,040	2,078
Sales load payable	-	188
Allied Bank Limited - Holding Company of Management Company		
Bank balances	2,617	3,608
MCBFSL Trustee ABL Islamic Stock Fund		
Investment of 33,251,246 units (June 2014: 45,175,748)	392,105	470,939
Hamdard Laboratories (Waqf) Pakistan		
Units held 14,979,083 (June 2014: 14,979,083)	164,807	151,930
Trustee Karachi Electric Provident Fund		
Units held 10,134,600	111,506	-
MCB Financial Services Limited - Trustee		
Remuneration payable	76	63

12 DATE OF AUTHORISATION FOR ISSUE

These Financial statements were authorised for issue on **April 29, 2015** by the Board of Directors of the Management Company.

13 GENERAL

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


 FARID AHMED KHAN
 CEO

For ABL Asset Management Company Limited
(Management Company)


 KAMRAN NISHAT
 DIRECTOR