



ABL Cash Fund

# Annual Report

ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021



ABL Asset Management

Discover the potential

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# VISION

Creating Investment Solutions within  
everyone's reach



# Mission & Core Values

To create a conducive working environment, to attract the best talent in the Asset Management Sector. ABLAMC strives to be the 'employer of choice' for young and experienced talent.

To set the highest industry standards in terms of product ranges and innovations, in order to offer products for clients of all demographics.  
To adhere to the highest industry standard for integrity and quality across all the spheres of the company.

To use technology and financial structuring to serve as a "cutting-edge" compared to the competition.

To enhance Stakeholders Value.

## FUND'S INFORMATION

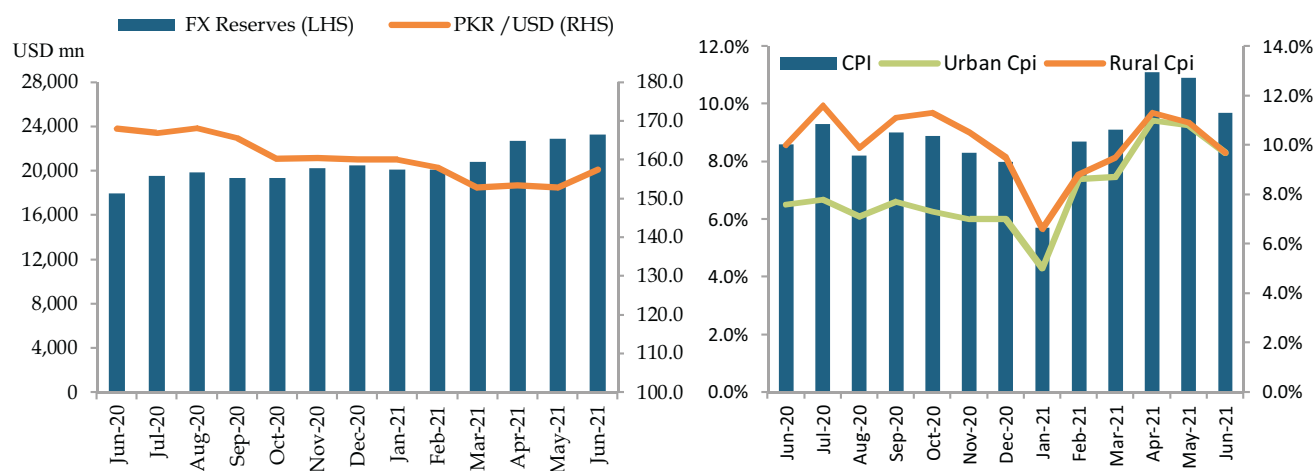
<b>Management Company:</b>	ABL Asset Management Company Limited Plot / Building # 14 -Main Boulevard, DHA Phase - VI, Lahore - 54810	
<b>Board of Directors:</b>	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Aizid Razzaq Gill Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad Ms. Saira Shahid Hussain	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
<b>Audit Committee:</b>	Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt	Chairman Member Member
<b>Human Resource and Remuneration Committee</b>	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi	Chairman Member Member Member
<b>Board's Risk Management Committee</b>	Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi	Chairman Member Member
<b>Board Strategic Planning &amp; Monitoring Committee</b>	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi	Chairman Member Member Member
<b>Chief Executive Officer of The Management Company:</b>	Mr. Alee Khalid Ghaznavi	
<b>Chief Financial Officer &amp; Company Secretary:</b>	Mr. Saqib Matin	
<b>Chief Internal Auditor:</b>	Mr. Kamran Shahzad	
<b>Trustee:</b>	Central Depository Company of Pakistan Limited CDC - House, Shara-e-Faisal, Karachi.	
<b>Bankers to the Fund:</b>	Allied Bank Limited Bank Al Falah Limited United Bank Limited	
<b>Auditors:</b>	M/s. A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi	
<b>Legal Advisor:</b>	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
<b>Registrar:</b>	ABL Asset Management Company Limited L - 48, DHA Phase - VI, Lahore - 74500	

## REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

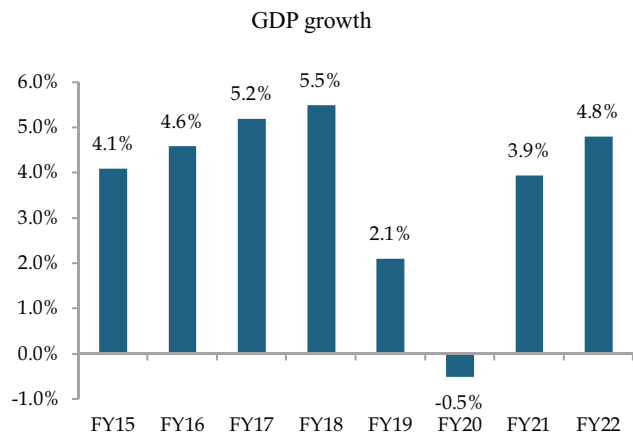
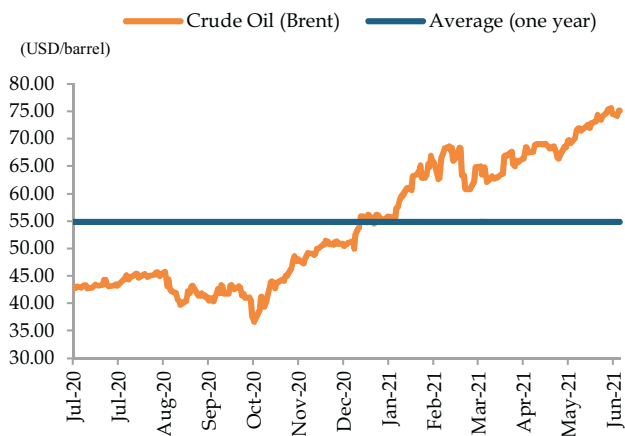
The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Cash Fund (ABL-CF), is pleased to present the Audited Financial Statements of ABL Cash Fund for the year ended on June 30, 2021.

### ECONOMIC PERFORMANCE REVIEW

Lockdown coupled with supply side issues created inflationary pressure in the country as we witnessed a CPI of 8.59%YoY in Jun'20 after achieving 11-month low inflation of 8.22%YoY in May'20. On a monthly basis, inflation inched up by 0.81% compared to 0.32% increase in the preceding month. The food prices witnessed a sharp increase during the month. The average NCPI for FY20 clocked-in at 10.76%YoY against 6.80%YoY in the SPLY. That said, we estimate the average NCPI for FY21 to settle around 7.3%YoY.



The curtailment in current account deficit (CAD) paved the way to a stable BOP position; coming down by 74%YoY to USD 3.28bn during 11MFY20. The imports dropped by 20%YoY to USD 46.63bn while the budgeted by a mere 7%YoY, despite global lockdown, to USD 25.99bn during 11MFY20. However, worker remittances reported an increase of 6%YoY to reach at USD 23.12bn. Threat to worker remittances seems to be over in our view as economic activity is picking up around the globe. However, the CAD may increase in coming months primarily due to higher oil import bill owing to rising international oil prices and permission granted by the Govt. to import furnace oil to cater power demand in the country. Foreign exchange reserves of the country stand at USD 18.79bn as at July 03, 2020; providing an import cover of ~3.09 months. To fight the pandemic, various international institutions including IMF, ADP, WB and the Paris Club along with friendly countries have come forward to help Pakistan resulting in stabilize reserves. On the fiscal side, during FY20, provisional tax collection has reached to PKR 3.98tn, reflecting an increase of ~4%YoY. During the month of Jun'20, tax collection stood at PKR 420bn against its revised target of PKR 398bn.



Pakistan has reported a negative GDP growth -0.4%YoY in FY20 plunging from 3.3%YoY in FY19. The pandemic has severely affected the economic activities in the 2QCY20; thereby economy could not sustain the positive growth. During the period of Jul-Apr 2020, the large scale manufacturing (LSM) decimated significantly by 8.96%YoY compared to a 2.82% decline in the SPLY. The major contributors to decline were the Textile (-8.68%), Coke and Petroleum Products (21.15%), Iron and Steel Products (-15.68%), Automobile (-41.90%), Pharmaceuticals (-5.31%), and Electronics (-19.74%). Envisaging the condition of the industry and the economy, the government decided to pursue a smart lockdown where all major industries have been allowed to operate. We expect this to avoid GDP contraction in the next financial year; however, the growth rate is not expected to be impressive.

Going forward, especially in the short run, the direction of the market will be set by the upcoming results and the situation of coronavirus pandemic in the country; and its impact on the economy. The incentives announced by the government to support the industry are expected to materialize in the rest of CY20. The prominent ones are the grace period on debt principal to help manage the cash flows while the construction package to boost economic activities; and to create jobs in the country. Apart from these, the policy rate has been reduced substantially to 7%, another big relief to leveraged industries and consumers.

## MUTUAL FUND INDUSTRY REVIEW

Total Assets under management (AUMs) of open end mutual fund posted a substantial growth of 38% during FY20 from PKR 572bn to PKR 788bn, mainly on account of massive inflow in money market fund and fixed income fund. Money market fund including conventional and Islamic, witnessed immense growth of 92% to close the period at PKR 318bn. AUMs of fixed income fund both conventional and Shariah compliant swelled by 66% during the said period. This growth can primarily be attributed to investor's appetite for earning high profits in contractionary monetary policy environment during 9MFY20. In contrast to fixed income, equity market AUMs have declined by 5% during this period. Lock down in country and incremental number of cases of coronavirus makes investor wary regarding investment in risky assets. Turbulence in equity market due to COVID-19 and uncertainty in international oil prices during FY20 contributed in decreasing AUMs of equity funds.

## OBJECTIVE

The objective of ABL Cash Fund is to provide investors, consistent returns with a high level of liquidity, through a blend of money market and sovereign debt instruments.

## MONEY MARKET REVIEW

Key interest rates throughout the year remained unchanged with policy rate maintained at 7.00%. Interest rates were maintained as a part of accommodative policy measures to ensure revival of growth.



While the interest rates remained unchanged, frequent changes were witnessed in primary market cut-off yields for both T-bills & PIBs. The yield curve remained normal steep due to widening of spreads between shorter & medium tenor instruments. As a result, expansion in KIBOR spreads was also witnessed. During the year 6M KIBOR increased from 7.03% to 7.61%.

During FY21, Government of Pakistan sold a total of PKR 14.50 trillion worth of T-bills against a total maturity of PKR 14.20 trillion with cut off yields ranging from 6.43% to 7.44% for 3M T-bills, 6.47% to 7.75% for 6M T-bills & 6.55 to 7.99% for 12M T-bills respectively. The vast shift in cut-off yields is reflective of market's expectation for a possible change in Policy Rate. The Cut off yields at the end of FY21 settled at 7.31%, 7.58% & 7.79% for 3, 6 & 12M respectively.

Apart from T-bills, GoP also sold a total of PKR 961 billion worth of Fixed Rate Pakistan Investment bonds. Tenor wise break up shows maximum participation & acceptance in 5Y bond of PKR 410 billion while the acceptance amounts 3 & 10 years also remained healthy at PKR 377.10 & PKR 173 billion respectively. The most recent cut off rates for 3Y, 5Y & 10Y bonds were 8.69%, 9.20%. Wide variations in Cut off rates were however witnessed during the auctions of 5 & 10Y cut off yields.

## FUND PERFORMANCE

During the period under review, ABL Cash Fund (ABL CF) delivered a return of 6.91% surpassing the benchmark return of 6.71% by 20 bps. The return was mainly attributed to trading gains on treasury bills along with exceptional profit rate negotiation with top quality banks. At the end of FY21, allocation in Bank deposits stood at 85.98%, T-bills at 4.51% and TDR placements at 8.99%. At the end of FY 21, Net Assets of ABL Cash Fund closed at PKR 34.807 billion, from PKR 26.910 billion on June 30, 2020.

## ADDITIONAL MATTERS

1. The detail of Directors of the Management Company is disclosed in this Annual Report.
2. Financial Statements present fairly the state of affairs, the results of operations, cash flows and the changes in unit holder's fund;
3. Proper books of accounts of the Fund have been maintained.
4. Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgments;
5. Relevant International Accounting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 & Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the Trust Deed and directives issued by the Securities and Exchange Commission of Pakistan, have been followed in the preparation of the financial statements;
6. The system of internal control is sound in design and has been effectively implemented and monitored;
7. There have been no significant doubts upon the Funds' ability to continue as going concern;
8. Performance table of the Fund is given on page # \_\_\_\_\_ of the Annual Report;
9. There is no statutory payment on account of taxes, duties, levies and charges outstanding other than already disclosed in the financial statements;





10. The statement as to the value of investments of Provident Fund is not applicable in the case of the Fund as employees retirement benefits expenses are borne by the Management Company;
11. The pattern of unit holding as at June 30, 2021 is given in note No. \_\_\_\_\_ of the Financial Statements.

## AUDITORS

M/s. A.F. Fergusons & Co. (Chartered Accountants), have been re-appointed as auditors for the year ending June 30, 2022 for ABL Cash Fund (ABL-CF).

## FUND STABILITY RATING

On December 31, 2020: VIS Credit Rating Company Limited (VIS) has reaffirmed the Fund Stability Rating (FSR) for ABL Cash Fund (ABL CF) to 'AA+ (f)' (Double A Plus (f)).

## MANAGEMENT QUALITY RATING

On December 31, 2020: VIS Credit Rating Company Limited (VIS) has maintained the Management Quality Rating (MQR) of ABL Asset Management Company (ABL AMC) at 'AM2++' (AM-Two-Double Plus). Outlook on the assigned rating has been revised from 'Stable' to 'Positive'.

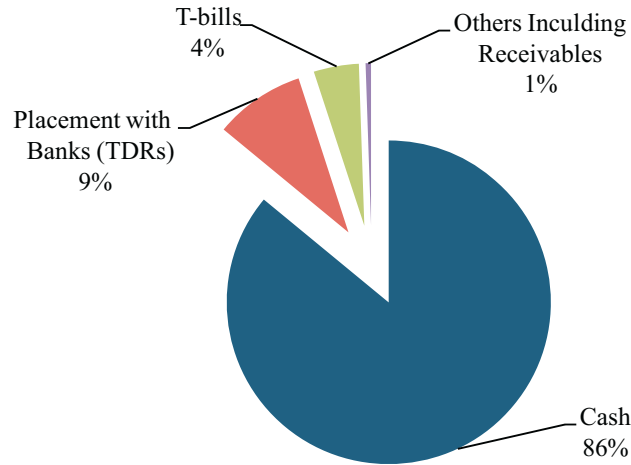
## OUTLOOK AND STRATEGY

Despite improving economic numbers and business confidence uncertainty created by the on-going fourth Covid-19 wave in Pakistan and the global spread of new variants resulted in a continued emphasis on supporting the recovery through accommodative monetary policy. As a result policy rate remained unchanged throughout the year at 7%.

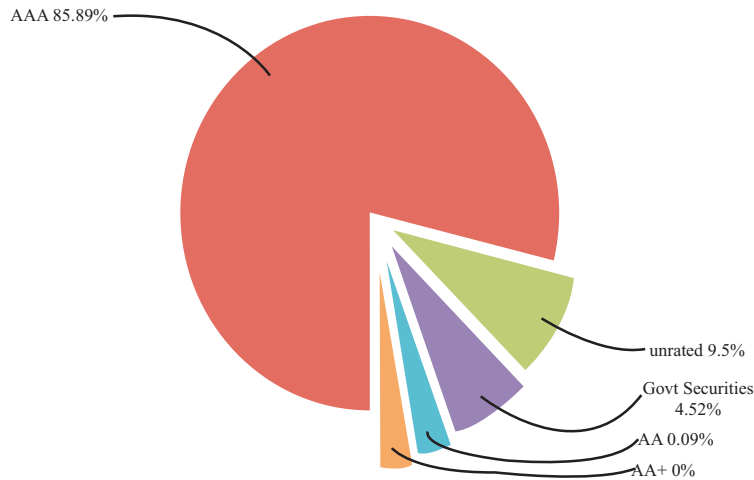
Going forward we expect the interest rates to be maintained at the current level of 7.00% at least till the end of the second quarter of FY22. The fund's strategy will be to trade T-bills actively while taking maximum advantage of any mispricing along the short to medium terms portion of the yield curve. In addition to this the fund will keep investing in high yield instruments with a tenor of 3-6 months and place funds at special deposit rates offered by bank at quarter and year end.

ABL Cash Fund Performance	FY-2021
Yield	6.91%
70%-Average of 3 Month PKRV & 30%- 3M Bank Deposit Rate	6.71%
Weighted Average Time to Maturity of Net Assets (days)	6.05
Asset under management as at June 30,2021 (PKR mn)	34,807.57
Closing NAV per unit as on June 30,2021 (PKR) (Ex-Dividend)	10.1831

## Asset Allocation



## CREDIT QUALITY OF PORTFOLIO (% OF TOTAL ASSETS)



## 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 Pakistan 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

**Director**  
Lahore, August 25, 2021

**Alee Khalid Ghaznavi**  
Chief Executive Officer

## FUND MANAGER REPORT

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# PERFORMANCE TABLE

	June 2021	June 2020	June 2019	June 2018	June 2017	June 2016
	----- <b>(Rupees in '000)</b> -----					
Net Assets	34,807,570	26,910,972	21,248,466	13,234,758	7,577,405	2,602,913
Net Income	2,130,850	2,791,946	1,646,118	740,966	137,904	35,600
	----- <b>(Rupees per unit)</b> -----					
Net Assets value	10.1831	10.1789	10.1668	10.5964	10.1087	10.0256
Interim distribution*	0.6333	1.1578	1.2689	-	0.7766	0.0241
Final distribution	0.0444	0.0514	0.0427	0.0565	-	0.5497
Distribution date final	June 28, 2021	June 25, 2020	June 25, 2019	August 07, 2017	-	June 24, 2016
Closing offer price	10.2717	10.2675	10.1668	10.5964	10.1087	10.0256
Closing repurchase price	10.1831	10.1789	10.1668	10.5964	10.1087	10.0256
Highest offer price	10.3498	10.5517	10.1668	10.5964	10.7653	10.5629
Lowest offer price	10.2675	10.2553	10.1533	10.1070	10.0256	10.0000
Highest repurchase price per unit	10.2605	10.4607	10.5982	10.5964	10.7653	10.5629
Lowest repurchase price per unit	10.1789	10.1668	10.1533	10.1070	10.0256	10.0000
	----- <b>Percentage</b> -----					
Total return of the fund						
- capital growth	0.13%	0.52%	-4.10%	4.85%	0.89%	0.04%
- income distribution	6.78%	12.09%	13.12%	0.57%	7.77%	5.74%
Average return of the fund First Year	6.91%	12.61%	9.02%	5.41%	8.66%	5.78%
Second Year	10.20%	11.39%	7.46%	7.27%	7.47%	7.85%
Third Year	10.42%	9.81%	8.29%	7.05%	8.57%	8.39%
Fourth Year	9.59%	10.16%	8.02%	8.13%	9.00%	9.15%
Fifth Year	10.07%	9.75%	8.89%	8.67%	9.68%	10.39%
Sixth Year	9.84%	10.45%	9.38%	9.41%	10.85%	-
Seventh Year	10.56%	10.86%	10.08%	10.58%	-	-
Eighth Year	11.02%	11.51%	11.22%	-	-	-
Ninth Year	11.71%	12.63%	-	-	-	-
Tenth Year	12.85%	-	-	-	-	-
Since Inception	14.05%	13.81%	12.38%	11.75%	12.01%	11.58%
Weighted average Portfolio duration in days	6	23	13	1	7	4

Monthly Distribution	2021		2020		2019		2017		2016	
	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit
1st Interim distribution	July 28, 2020	0.0496	August 4, 2019	0.1200	July 3, 2018	0.3086	-	-	-	-
2nd Interim distribution	September 6, 2020	0.0671	September 10, 2019	0.1312	July 31, 2018	0.1808	-	-	-	-
3rd Interim distribution	November 15, 2020	0.0631	March 1, 2020	0.2245	November 4, 2018	0.0632	-	-	-	-
4th Interim distribution	December 15, 2020	0.0547	March 29, 2020	0.1034	December 9, 2018	0.0688	-	-	-	-
5th Interim distribution	February 14, 2021	0.0488	May 31, 2020	0.0600	February 3, 2019	0.0720	-	-	-	-
6th Interim distribution	March 7, 2021	0.0386	-	-	March 3, 2019	0.0737	-	-	-	-
7th Interim distribution	May 16, 2021	0.0816	-	-	April 29, 2019	0.0612	-	-	-	-
8th Interim distribution	June 6, 2021	0.0393	-	-	June 16, 2019	0.1454	June 21, 2017	0.7766	June 20, 2016	0.0241

Quarterly Distribution	2021		2020		2019		2017		2016	
	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit
First quarter Interim distribution	October 11, 2020	-	October 6, 2019	0.0936	October 5, 2018	0.1280	-	-	-	-
Second quarter Interim distribution	January 18, 2021	-	December 29, 2019	0.2977	January 6, 2019	0.0743	-	-	-	-
Third quarter Interim distribution	April 4, 2021	0.0561	April 30, 2020	0.1274	April 7, 2019	0.0929	-	-	-	-

Final Distribution	2021		2020		2019		2017		2016	
	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit
Final distribution	June 28, 2021	0.0444	June 25, 2020	0.0514	June 25, 2019	0.0427	-	-	June 24, 2016	0.5497

**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office:**

CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shakra-e-Faisal  
Karachi - 74400, Pakistan.  
Tel : (92-21) 111-111-500  
Fax: (92-21) 34326021 - 23  
URL: www.cdcpakistan.com  
Email: info@cdcpak.com



**TRUSTEE REPORT TO THE UNIT HOLDERS**

**ABL CASH 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 Cash 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 year ended June 30, 2021 in accordance with the provisions of the following:

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

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: September 16, 2021



**INDEPENDENT AUDITOR'S REPORT**

**To the Unit holders of ABL Cash Fund**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of ABL Cash Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2021, and the income statement, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2021, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	<p><b>Net Asset Value</b> (Refer notes 4 and 5 to the annexed financial statements)</p> <p>The bank balances and investments constitute the most significant component of the net asset value (NAV). The bank balances and investments of the Fund as at June 30, 2021 amounted to Rs. 31,574.052 million and Rs. 4,959.251 million respectively.</p> <p>The existence of bank balances and the existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2021 was considered a high risk area and therefore we considered this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>tested the design and operating effectiveness of the key controls for valuation of investments.</li> <li>obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2021 and traced balances in these confirmations with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed.</li> <li>re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies.</li> <li>obtained bank reconciliation statements and tested reconciling items on a sample basis.</li> </ul>

*AFCO*

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
 State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
 Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

■ KARACHI ■ LAHORE ■ ISLAMABAD



### Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the management company is responsible for overseeing the Fund's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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A.F. FERGUSON & CO.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the management company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the management company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the management company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.

*A.F. Ferguson & Co.*

A.F. Ferguson & Co.  
Chartered Accountants  
Karachi


Date: September 28, 2021

**ABL CASH FUND**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT JUNE 30, 2021**

	2021	2020
	-----Rupees in '000-----	
<b>Assets</b>		
Bank balances	4 31,574,052	23,296,117
Investments	5 4,959,251	6,098,620
Interest / profit accrued	6 184,830	94,379
Deposit and other receivable	7 3,893	3,947
Receivable against sale of units	-	1,736
Total assets	<b>36,722,026</b>	29,494,799
<b>Liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	8 79,266	101,100
Payable to Central Depository Company of Pakistan Limited - Trustee	9 2,015	1,617
Payable to the Securities and Exchange Commission of Pakistan	10 6,341	4,712
Payable against redemption of units	139,379	6,497
Payable against purchase of investments	1,659,086	2,444,192
Accrued expenses and other liabilities	11 28,369	25,709
Total liabilities	<b>1,914,456</b>	2,583,827
<b>NET ASSETS</b>	<b>34,807,570</b>	26,910,972
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>	<b>34,807,570</b>	26,910,972
<b>CONTINGENCIES AND COMMITMENTS</b>	12	
	----- Number of units -----	
<b>NUMBER OF UNITS IN ISSUE</b>	<b>3,418,184,617</b>	2,643,799,166
	----- Rupees -----	
<b>NET ASSET VALUE PER UNIT</b>	<b>10.1831</b>	10.1789

The annexed notes from 1 to 32 form an integral part of these financial statements.

For ABL Asset Management Company Limited  
(Management Company)

  
\_\_\_\_\_  
**Saqib Matin**  
Chief Financial Officer

  
\_\_\_\_\_  
**Alee Khalid Ghaznavi**  
Chief Executive Officer

  
\_\_\_\_\_  
**Pervaiz Iqbal Butt**  
Director


**ABL CASH FUND**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	2021	2020
Note	-----Rupees in '000-----	
<b>Income</b>		
Interest / profit earned	13	2,353,106
Other income		2,999,418
		678
Gain on sale of investments - net	6,935	65,916
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.7	3,832
	7,100	69,748
<b>Total income</b>	<b>2,360,206</b>	<b>3,069,844</b>
<b>Expenses</b>		
Remuneration of ABL Asset Management Company Limited - Management Company	8.1	169,710
Punjab Sales Tax on remuneration of the Management Company	8.2	27,154
Accounting and operational charges	8.4	-
Remuneration of the Central Depository Company of Pakistan - Trustee	9.1	20,609
Sindh Sales Tax on remuneration of the Trustee	9.2	2,679
Annual fees to the Securities and Exchange Commission of Pakistan	10.1	6,341
Securities transaction cost		973
Auditors' remuneration	14	513
Annual rating fee		261
Annual listing fee		47
Printing charges		60
Legal and professional charges		141
Settlement and bank charges		868
<b>Total operating expenses</b>		<b>229,356</b>
<b>Net income for the year before taxation</b>		<b>2,130,850</b>
Taxation	16	-
<b>Net income for the year after taxation</b>		<b>2,130,850</b>
Other comprehensive income for the year		-
<b>Total comprehensive income for the year</b>		<b>2,130,850</b>
<b>Earnings per unit</b>	17	
<b>Allocation of net income for the year</b>		
Net income for the year after taxation		2,130,850
Income already paid on units redeemed		(153,791)
<b>Accounting income available for distribution</b>		<b>1,977,059</b>
- Relating to capital gains		7,100
- Excluding capital gains		1,969,959
		69,748
		2,477,994
		1,977,059
		2,547,742

The annexed notes from 1 to 32 form an integral part of these financial statements.

For ABL Asset Management Company Limited  
(Management Company)

  
**Saqib Matin**  
 Chief Financial Officer

  
**Aleo Khalid Ghaznavi**  
 Chief Executive Officer

  
**Pervaiz Iqbal Butt**  
 Director




**ABL CASH FUND**  
**STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	2021			2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
----- Rupees in '000 -----						
Net assets at beginning of the year	26,717,947	193,025	26,910,972	21,077,223	171,243	21,248,466
Issue of 6,364,761,259 (2020: 4,900,485,321) units						
- Capital value (at ex - net asset value per unit)	64,786,268	-	64,786,268	49,822,211	-	49,822,211
- Element of income	178,188	-	178,188	329,122	-	329,122
Total proceeds on issuance of units	64,964,456	-	64,964,456	50,151,333	-	50,151,333
Redemption of 5,590,375,808 (2020: 4,346,673,619) units						
- Capital value (at ex - net asset value per unit)	56,903,876	-	56,903,876	44,191,723	-	44,191,723
- Element of loss	30,443	153,791	184,234	68,318	244,204	312,522
Total payments on redemption of units	56,934,319	153,791	57,088,110	44,260,041	244,204	44,504,245
Total comprehensive income for the year	-	2,130,850	2,130,850	-	2,791,946	2,791,946
Distribution for the period ended July 28, 2020 @ Re. 0.0496 per unit on July 29, 2020 (2020: @ Re. 0.1200 per unit on August 5, 2019)	(3,858)	(127,987)	(131,845)	(20,634)	(218,570)	(239,204)
Distribution for the period ended September 6, 2020 @ Re. 0.0671 per unit on September 7, 2020 (2020: @ Re. 0.1280 per unit on September 11, 2019)	(39,473)	(141,695)	(181,168)	(22,843)	(263,106)	(285,949)
Distribution for the period ended October 11, 2020 @ Re. 0.0678 per unit on October 12, 2020 (2020: @ Re. 0.0936 per unit on October 7, 2019)	(20,465)	(188,770)	(209,235)	(8,321)	(174,975)	(183,296)
Distribution for the period ended November 15, 2020 @ Re. 0.0631 per unit on November 16, 2020 (2020: @ Re. Nil per unit)	(11,145)	(183,826)	(194,971)	-	-	-
Distribution for the period ended December 15, 2020 @ Re. 0.0547 per unit on December 16, 2020 (2020: @ Re. 0.2977 per unit on December 30, 2019)	(7,301)	(164,701)	(172,002)	(82,973)	(565,650)	(648,623)
Distribution for the period ended January 18, 2021 @ Re. 0.0666 per unit on January 19, 2021 (2020: @ Re. Nil per unit)	(17,785)	(213,363)	(231,148)	-	-	-
Distribution for the period ended February 14, 2021 @ Re. 0.0488 per unit on February 15, 2021 (2020: @ Re. 0.2245 per unit on March 2, 2020)	(7,083)	(155,356)	(162,439)	(19,261)	(482,592)	(501,853)
Distribution for the period ended March 7, 2021 @ Re. 0.0386 per unit on March 8, 2021 (2020: @ Re. 0.1034 per unit on March 30, 2020)	(4,057)	(125,116)	(129,173)	(29,075)	(241,453)	(270,528)
Distribution for the period ended April 4, 2021 @ Re. 0.0561 per unit on April 5, 2021 (2020: @ Re. 0.1274 per unit on May 1, 2020)	(10,820)	(186,408)	(197,228)	(27,232)	(326,355)	(353,587)
Distribution for the period ended May 16, 2021 @ Re. 0.0816 per unit on May 17, 2021 (2020: @ Re. 0.0600 per unit on June 1, 2020)	(10,771)	(226,039)	(236,810)	(34,678)	(127,602)	(162,280)
Distribution for the period ended June 6, 2021 @ Re. 0.0393 per unit on June 7, 2021 (2020: @ Re. Nil per unit)	(936)	(111,252)	(112,188)	-	-	-
Distribution for the year ended June 30, 2021 @ Re. 0.0444 per unit on June 29, 2021 (2019: @ Re. 0.0514 per unit on June 26, 2020)	(4,742)	(147,649)	(152,391)	(5,551)	(125,657)	(131,208)
Total distribution during the year	(138,436)	(1,972,162)	(2,110,598)	(250,568)	(2,525,960)	(2,776,528)
<b>Net assets at end of the year</b>	<b>34,609,648</b>	<b>197,922</b>	<b>34,807,570</b>	<b>26,717,947</b>	<b>193,025</b>	<b>26,910,972</b>
Undistributed income brought forward						
- Realised income		189,193			171,243	
- Unrealised income		3,832			-	
		193,025			171,243	
Accounting income available for distribution						
- Relating to capital gains		7,100			69,748	
- Excluding capital gains		1,969,959			2,477,994	
		1,977,059			2,547,742	
Distribution during the year		(1,972,162)			(2,525,960)	
Undistributed income carried forward		197,922			193,025	
Undistributed income carried forward						
- Realised income		197,757			189,193	
- Unrealised income		165			3,832	
		197,922			193,025	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the year			10.1789			10.1668
Net assets value per unit at end of the year			10.1831			10.1789

The annexed notes from 1 to 32 form an integral part of these financial statements.

For ABL Asset Management Company Limited  
(Management Company)

  
**Saqib Matin**  
Chief Financial Officer

  
**Alek Khalid Ghaznavi**  
Chief Executive Officer

  
**Pervaiz Iqbal Butt**  
Director



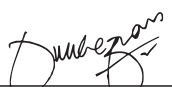
**ABL CASH FUND**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	2021	2020
Note	-----Rupees in '000-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the year before taxation	2,130,850	2,791,946
<b>Adjustments for:</b>		
Interest / profit earned	13 (2,353,106)	(2,999,418)
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.7 (165)	(3,832)
	(2,353,271)	(3,003,250)
<b>Decrease / (increase) in assets</b>		
Deposit and other receivable	54	(2,991)
<b>(Decrease) / increase in liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	(21,834)	13,948
Payable to Central Depository Company of Pakistan Limited - Trustee	398	17
Payable to the Securities and Exchange Commission of Pakistan	1,629	(9,119)
Accrued expenses and other liabilities	2,660	3,448
	(17,147)	8,294
	(239,514)	(206,001)
<b>Interest / profit received</b>		
Net amount received / (paid) on purchase and sale of investments	2,262,655	3,153,609
	2,831,130	(2,628,652)
<b>Net cash generated from operating activities</b>	<b>4,854,271</b>	<b>318,956</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts from issuance of units - net of refund of element	64,827,756	49,899,029
Net payments against redemption of units	(56,955,228)	(44,529,047)
Cash pay-out against distribution	(1,972,162)	(2,525,960)
Net cash generated from financing activities	5,900,366	2,844,022
Net increase in cash and cash equivalents during the year	10,754,637	3,162,978
<b>Cash and cash equivalents at the beginning of the year</b>	<b>24,119,415</b>	<b>20,956,437</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>19 34,874,052</b>	<b>24,119,415</b>

The annexed notes from 1 to 32 form an integral part of these financial statements.

For ABL Asset Management Company Limited  
(Management Company)

  
Saqib Matin  
Chief Financial Officer

  
Alek Khalid Ghaznavi  
Chief Executive Officer

  
Pervaiz Iqbal Butt  
Director



# ABL CASH FUND

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

AS AT JUNE 30, 2021

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### 1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Cash Fund is an open ended mutual fund constituted under a Trust Deed entered into on September 25, 2009 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been revised through the First and Second Supplemental Trust Deeds dated July 29, 2011 and May 15, 2013 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). Furthermore, the offering document of the Fund has been revised through the First, Second (not executed), Third, Fourth, Fifth and Sixth supplements dated September 20, 2011, January 28, 2013, March 01, 2013, October 06, 2016, and June 02, 2017 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. NBFC-II / DD / ABLAMC / 872 dated September 17, 2009 in accordance with the requirement of the Non-Banking Finance Companies and Notified Entities Regulations, 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 Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at Plot No. 14, Main Boulevard, DHA Phase 6, Lahore. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.2 The Fund has been categorised as a money market scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from July 30, 2010 and are transferable and redeemable by surrendering them to the Fund.

1.3 The objective of the Fund is to provide investors consistent returns with a high level of liquidity which the Fund aims to deliver mainly by investing in money market and sovereign debt instruments that may be allowed by the SECP. The investment objectives and policies are explained in the Fund's offering document.

1.4 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

1.5 During the current year, the Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Management Company in consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on the Fund.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.



## 2.2 Standards, interpretations and amendments to published approved accounting standards that are effective in the current year:

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

## 2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following standards have been adopted in Pakistan and would be effective from the dates mentioned below against the respective standards:

Standards, interpretations and amendments	Effective date (accounting periods beginning on or after)
- IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2023
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2023

The Management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

2.3.1 There are certain other standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2020 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not disclosed in these financial statements.

## 2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 3.2 and 5), provision for SWWF (note 11.1), provision for Federal Excise Duty (note 8.3) and provision for taxation (notes 3.11 and 16).

## 2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that investments have been carried at fair values.

## 2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented unless otherwise stated.

### 3.1 Cash and cash equivalents

These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

### 3.2 Financial assets

#### 3.2.1 Classification and subsequent measurement

##### Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- amortised cost
- at fair value through other comprehensive income "(FVOCI)"
- at fair value through profit or loss (FVTPL)

based on the business model of the entity.



However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVTPL. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVTPL.

### 3.2.2 Impairment

The Fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

### 3.2.3 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

### 3.2.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset.

### 3.2.5 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

### 3.2.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

### 3.3 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

### 3.4 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

### 3.5 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

### 3.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.





Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption application during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

### 3.7 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also include portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

### 3.8 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution.

### 3.9 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Income from investments in government securities is recognised on an accrual basis using effective interest method.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise.
- Interest income on bank balances, term deposits, letter of placements and commercial papers is recognised on an accrual basis.

### 3.10 Expenses

All expenses including management fee and trustee fee are recognised in the Income Statement on an accrual basis.

### 3.11 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 in cash.

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.

### 3.12 Earnings per unit

Earnings per unit is calculated by dividing the net income of the year before taxation of the Fund by the weighted average number of units outstanding during the year. The determination of earning per unit is not practicable as disclosed in note 17.

### 3.13 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistan Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

	Note	2021	2020
		----- Rupees in '000 -----	
<b>4 BANK BALANCES</b>			
Balances with banks in:			
Savings accounts	4.1	31,574,042	19,196,107
Current accounts	4.2	10	4,100,010
		31,574,052	23,296,117

- 4.1 These savings accounts carry mark-up at rates ranging from 5.00% to 8.12% (2020: 5.00% to 9.00%) per annum. Deposits in savings accounts include Rs. 11,882.952 million (2020: Rs. 6,582.928 million) maintained with Allied Bank Limited, a related party, and carry mark-up rates ranging from 5.00% to 7.83% (2020: 9.00%) per annum.



4.2 This includes balance amounting to Rs. 0.006 million (2020: 4,100.006 million) maintained with Allied Bank Limited (a related party).

5 INVESTMENTS	Note	2021	2020
----- Rupees in '000-----			
<b>At fair value through profit or loss</b>			
Government securities - Market Treasury Bills	5.1	1,659,251	4,671,581
Commercial papers	5.2	-	327,039
Letters of placements	5.3	-	700,000
Sukuk certificates	5.4	-	400,000
Term deposit receipts	5.5	3,300,000	-
Certificates of investment	5.6	-	-
		<u>4,959,251</u>	<u>6,098,620</u>

5.1 Government securities - Market Treasury Bills

Tenure	Face value (Rupees in '000)				Rupees in '000			Market value as a percentage of total investments	Market value as a percentage of net assets
	As at July 1, 2020	Purchased during the year	Disposed / matured during the year	As at June 30, 2021	Carrying value as at June 30, 2021	Market value as at June 30, 2021	Unrealised appreciation/ (diminution) as at June 30, 2021		
3 months	125,000	236,959,195	237,084,195	-	-	-	-	-	-
6 months	4,012,000	80,411,700	82,723,700	1,700,000	1,659,086	1,659,251	165	33.46%	4.77%
12 months	638,915	44,871,000	45,509,915	-	-	-	-	-	-
<b>Total as at June 30, 2021</b>					<u>1,659,086</u>	<u>1,659,251</u>	<u>165</u>	<u>33.46%</u>	<u>4.77%</u>
<b>Total as at June 30, 2020</b>					<u>4,667,749</u>	<u>4,671,581</u>	<u>3,832</u>	<u>76.60%</u>	<u>17.36%</u>

5.1.1 These carry purchase yield ranging from 7.30% to 7.50% (2020: 7.07% to 11.27%) and are due to mature latest by December 2, 2021 (2020: December 17, 2020).

5.2 Commercial papers

Name of Investee Company	Face value (Rupees in '000)			Rupees in '000			Market value as a percentage of total investments	Market value as a percentage of net assets
	As at July 1, 2020	Purchased during the year	Disposed / matured during the year	As at June 30, 2021	Carrying value as at June 30, 2021	Market value as at June 30, 2021		
<b>POWER GENERATION &amp; DISTRIBUTION</b>								
K-Electric Limited CP-5 (A-1+, PACRA)	280,000	795,000	1,075,000	-	-	-	-	-
K-Electric Limited CP-6 (A-1+, PACRA)	52,000	-	52,000	-	-	-	-	-
K-Electric Limited CP-14 (A-1+, VIS)	-	900,000	900,000	-	-	-	-	-
K-Electric Limited CP-16 (A-1+, PACRA)	-	150,000	150,000	-	-	-	-	-
<b>Total as at June 30, 2021</b>					<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total as at June 30, 2020</b>					<u>327,039</u>	<u>327,039</u>	<u>5.36%</u>	<u>1.22%</u>

5.2.1 These carry profit rate at Nil (2020: 11.94% to 14.64%) per annum.

### 5.3 Letter of placements

Name of Investee Company	Amount placed (Rupees in '000)				Rupees in '000		Market value as a percentage of total investments	Market value as a percentage of net assets
	As at July 1, 2020	Placed during the year	Matured during the year	As at June 30, 2021	Carrying value as at June 30, 2021	Market value as at June 30, 2021		
								----- % -----
<b>DEVELOPMENT FINANCIAL INSTITUTIONS</b>								
Zarai Taraqati Bank Limited (AAA, VIS)	700,000	1,800,000	2,500,000	-	-	-	-	-
Pak Oman Investment Company Limited (AA+, VIS)	-	19,130,000	19,130,000	-	-	-	-	-
PAIR Investment Company Limited (AA, PACRA)	-	3,000,000	3,000,000	-	-	-	-	-
Pak Brunei Investment Company Limited (AA+, VIS)	-	12,880,000	12,880,000	-	-	-	-	-
Pak China Investment Company Limited (AAA, VIS)	-	500,000	500,000	-	-	-	-	-
Pak Kuwait Investment Company (Private) Limited (AAA, PACRA)	-	20,792,000	20,792,000	-	-	-	-	-
Company Limited (AA+, VIS)	-	33,975,000	33,975,000	-	-	-	-	-
<b>Total as at June 30, 2021</b>								
<b>Total as at June 30, 2020</b>					700,000	700,000	11.48%	2.60%

5.3.1 This carries profit at the rate of Nil (2020: 11.94% to 14.64%) per annum.

### 5.4 Sukuk Certificates

Name of Investee Company	As at July 1, 2020	Purchased during the year	Disposed of / matured during the year	As at June 30, 2021	Rupees in '000		Market value as a percentage of total investments	Market value as a percentage of net assets
					Carrying value as at June 30, 2021	Market value as at June 30, 2021		
					-----Number of certificates-----			
								----- % -----
<b>POWER GENERATION &amp; DISTRIBUTION</b>								
The Hub Power Company Limited (Face value of Rs 100,000 per certificate)	4,000	-	4,000	-	-	-	-	-
The Hub Power Company Limited (Face value of Rs 100,000 per certificate)	-	6,765	6,765	-	-	-	-	-
<b>Total as at June 30, 2021</b>								
<b>Total as at June 30, 2020</b>					400,000	400,000	6.56%	1.49%

5.4.1 This carries profit at the rate of Nil (2020: 9.59%) per annum.

### 5.5 Term deposit receipts

Name of Investee Company	Issue date	Amount placed (Rupees in '000)				Rupees in '000		Market value as a percentage of total investments	Market value as a percentage of net assets
		As at July 1, 2020	Placed during the year	Matured during the year	As at June 30, 2021	Carrying value as at June 30, 2021	Market value as at June 30, 2021		
Allied Bank Limited (AAA, PACRA)	March 31, 2021	-	3,000,000	3,000,000	-	-	-	-	
Bank Alfalah Limited (AA+, PACRA)	April 22, 2021	-	3,300,000	-	3,300,000	3,300,000	3,300,000	66.54%	
<b>Total as at June 30, 2021</b>						3,300,000	3,300,000	66.54%	
<b>Total as at June 30, 2020</b>						-	-	-	



## 5.6 Certificates of investment

Name of Investee Company	Issue date	Face value (Rupees in '000)			Rupees in '000		Market value as a percentage of total investments	Market value as a percentage of net assets
		As at July 1, 2020	Purchased during the year	Matured during the year	As at June 30, 2021	Carrying value as at June 30, 2021		

### DEVELOPMENT FINANCE INSTITUTION

Pak Oman Investment Company Limited (AA+, VIS)	August 10, 2020	-	2,000,000	2,000,000	-	-	-	-
<b>Total as at June 30, 2021</b>						-	-	-
<b>Total as at June 30, 2020</b>						-	-	-

5.7 Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	Note	2021	2020
		----- Rupees in '000 -----	
Market value of investments	5.1 , 5.2 , 5.3 5.4 , 5.5 & 5.6	4,959,251	6,098,620
Carrying value of investments	5.1 , 5.2 , 5.3 5.4 , 5.5 & 5.6	(4,959,086)	(6,094,788)
		<u>165</u>	<u>3,832</u>

## 6 INTEREST / PROFIT ACCRUED

Interest / profit accrued on:

Bank balances		136,225	80,089
Term deposit receipts		48,605	-
Letters of placements		-	9,783
Sukuk certificates		-	4,507
		<u>184,830</u>	<u>94,379</u>

## 7 DEPOSIT AND OTHER RECEIVABLE

Security deposit with Central Depository Company of Pakistan Limited \*

Deposit in IPS account \*

Advance tax

		100	100
		5	59
	7.1	3,788	3,788
		<u>3,893</u>	<u>3,947</u>

\* related party balances

7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding taxes on profit on bank balances and debt securities to the Fund were deducted by various withholding agents based on the interpretation issued by FBR vide letter C. No. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on bank balances and debt securities amounts to Rs 3.788 million (2020: Rs 3.788 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding taxes deducted on profit received by the Fund on bank balances and debt securities have been shown as other receivable as at June 30, 2021 as, in the opinion of the management, the amount of tax deducted at source will likely be refunded.

	Note	2021	2020
-----Rupees in '000-----			
<b>8</b>	<b>PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY - RELATED PARTY</b>		
	Management fee payable	13,715	16,516
	Punjab Sales Tax payable on remuneration of the Management Company	10,641	11,089
	Federal Excise Duty payable on remuneration of the Management Company	54,898	54,898
	Sales and transfer load payable	12	-
	Accounting and operational charges payable	-	18,597
		<u>79,266</u>	<u>101,100</u>

- 8.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration under the following rates:

Rate applicable from July 1, 2020 to August 30, 2020	Rate applicable from August 31, 2020 to June 30, 2021	Rate applicable from July 1, 2019 to December 19, 2019	Rate applicable from December 20, 2019 to June 30, 2020
0.75% of average daily net assets	0.50% of average daily net assets	10% of the gross earnings subject to a minimum fee of 0.75% of average daily net assets and maximum fee of 1% of average daily net assets	0.75% of average daily net assets

The remuneration is payable to the Management Company monthly in arrears.

- 8.2 During the year, an amount of Rs 27.154 million (2020: Rs 32.375 million) was charged on account of sales tax on management fee levied through the Punjab Sales Tax on Services Act, 2012 at the rate of 16% (2020: 16%).
- 8.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 54.898 million is being retained in these financial statements as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2021 would have been higher by Re 0.016 ( 2020: Re 0.021 ) per unit.

- 8.4 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company has not charged any expenses to the Fund during the current year (2020: 0.25% of average daily net assets).

	Note	2021	2020
-----Rupees in '000-----			
<b>9</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE - RELATED PARTY</b>		
	Trustee fee payable	9.1	1,783
	Sindh Sales tax payable on trustee fee	9.2	232
		2,015	1,617

- 9.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.065% (2020: 0.065%) per annum of net assets. Accordingly the Fund has charged trustee fee at the above mentioned rate during the year.
- 9.2** During the year, an amount of Rs 2.679 million (2020: Rs. 1.991 million) was charged on account of sales tax @13% (2020: 13%) on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011.

	Note	2021	2020
-----Rupees in '000-----			
<b>10</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>		
	Annual fee payable	10.1	6,341
		6,341	4,712

- 10.1** In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% (2020: 0.02%) of the daily net assets of the Fund.

	Note	2021	2020
-----Rupees in '000-----			
<b>11</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
	Auditors' remuneration payable		334
	Printing charges payable		75
	Legal and professional charges payable		86
	Brokerage fee payable		81
	Withholding tax payable		22,517
	Capital gain tax payable		1,750
	Provision for Sindh Workers' Welfare Fund	11.1	3,526
		28,369	25,709

- 11.1** As a consequence of the 18th amendment to the Constitution of Pakistan, the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh in May 2015 as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/mutual funds, the MUFAP recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

The Fund has made provision for SWWF from May 21, 2015 till June 30, 2017 amounting to Rs 3.526 million as the decision in this respect is pending to date. The Fund has not made any provision for SWWF after July 1, 2017 as the registered office of the Management Company of the Fund has been relocated from the Province of Sindh to the Province of Punjab.

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to June 30, 2017, on August 13, 2021. The SECP has also given its concurrence for prospective reversal of provision for SWWF.

Had the provision for SWWF been reversed in these financial statements, the net asset value of the Fund as at June 30, 2021 would have been higher by Re. 0.0010 (2020: Re 0.0013) per unit.



## 12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2021 and June 30, 2020.

## 13 INTEREST / PROFIT EARNED

Interest / profit on:

Savings accounts  
Term deposit receipts  
Letter of placements  
Commercial papers  
Certificates of investment  
Sukuk certificates

	2021	2020
	-----Rupees in '000-----	
	807,196	2,001,761
	56,495	-
	339,471	356,801
	15,232	93,039
	45,304	-
	29,289	23,193
	1,292,987	2,474,794
Amortisation of discount income on market treasury bills	1,060,119	524,624
	<u>2,353,106</u>	<u>2,999,418</u>

## 14 AUDITORS' REMUNERATION

Annual audit fee  
Half yearly review of condensed interim financial statements  
Other certifications  
Out of pocket expenses

	281	300
	187	125
	-	100
	45	79
	<u>513</u>	<u>604</u>

## 15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2021 is 0.72% (2020: 1.18%) which includes 0.11% (2020: 0.17%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

## 16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2021 to the unit holders in the manner as explained above no provision for taxation has been made in these financial statements during the year.

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.

## 17 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.

## 18 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

18.1 Connected persons include ABL Asset Management Company Limited being the Management Company, the Central Depository Company of Pakistan being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

18.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.



- 18.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008.
- 18.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 18.5** Accounting and operational charges are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 18.6** The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

	2021	2020
	----- Rupees in '000 -----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Remuneration of the Management Company	169,710	202,345
Punjab Sales Tax on remuneration of the Management Company	27,154	32,375
Accounting and operational charges	-	18,597
Issue of 19,505,375 (2020: 22,851,205) units	198,946	235,040
Redemption of 21,208,080 (2020: 49,220,440) units	216,607	506,446
Outstanding 2,459,028 (2020: 4,161,733) units	25,041	42,362
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee	20,609	15,314
Sindh Sales Tax on remuneration of the Trustee	2,679	1,991
Settlement charges	190	60
Issue of 30,209,726 (2020: 20,620,379) units	308,124	209,643
Redemption of 30,887,938 (2020: Nil) units	315,542	-
Outstanding 19,942,167 (2020: 20,620,379) units	203,073	209,893
<b>Allied Bank Limited</b>		
Interest on savings accounts	407,912	434,410
Bank charges	542	730
Interest accrued on bank balances	102,272	60,224
<b>Ibrahim Agencies (Private) Limited</b>		
Issue of 283,115 (2020: 3,128,388) units	2,882	32,026
Outstanding 5,157,985 (2020: 4,874,870) units	52,524	49,621
<b>Ibrahim Holdings (Private) Limited</b>		
Issue of 33,062,097 (2020: 736,332,313) units	336,545	7,557,032
Redemption of 122,069,414 (2020: 325,847,871) units	1,245,000	3,319,000
Outstanding 550,138,969 (2020: 639,146,286) units	5,602,120	6,505,806
<b>Fauji Fertilizer Company Limited</b>		
Issue of 2,542,409,302 (2020: 891,413,747) units	25,964,003	9,150,947
Redemption of 2,336,287,387 (2020: 743,253,248) units	23,859,757	7,566,079
Outstanding 799,201,386 (2020: 593,079,471) units	8,138,348	6,036,897
<b>The Hub Power Company Limited *</b>		
Purchase of Nil (2020: 6,500) sukuk certificates	-	650,000
<b>ABL Financial Planning Fund - Conservative Allocation Plan</b>		
Issue of 965,977 (2020: 2,140,341) units	9,846	22,172
Redemption of 697,918 (2020: Nil) units	7,115	-
Outstanding 2,408,400 (2020: 2,140,341) units	24,525	21,786
<b>ABL Financial Planning Fund - Active Allocation Plan</b>		
Issue of 3,729,697 (2020: 83,647) units	38,000	850
Redemption of 3,729,697 (2020: 1,750,044) units 38,019	38,019	18,056





	2021	2020
	----- Rupees in '000 -----	
<b>ABL Financial Planning Fund - Strategic Allocation Plan</b>		
Issue of 3,739,772 (2020: 128,366) units	38,103	1,305
Redemption of 2,506,882 (2020: 2,832,954) units	25,600	29,021
Outstanding 1,232,890 (2020: Nil) units	12,555	-

**Directors and their close family members and key management personnel of the Management Company**

**Sheikh Mukhtar Ahmed**

Issue of 79,958 (2020: 157,173) units	814	1,688
Redemption of 1,127,683 (2020: Nil) units	11,526	-
Outstanding 598,243 (2020: 1,645,968) units	6,092	16,754

**Muhammad Waseem Mukhtar**

Issue of 72,140 (2020: 686,229) units	734	7,097
Outstanding 1,314,297 (2020: 1,242,157) units	13,384	12,644

**Mohammad Naeem Mukhtar**

Issue of 47,739,514 (2020: Nil) units	487,571	-
Redemption of 38,190,973 (2020: Nil) units	390,000	-
Outstanding 25,807,600 (2020: 16,259,060) units	262,801	165,499

**Alee Khalid Ghaznavi**

Issue of 2,018 (2020: 3,141,494) units	21	32,142
Redemption of 78,137 (2020: 3,779,770) units	796	38,831
Outstanding 76 (2020: 76,195) units	1	776

\* Current year figure has not been presented as the person is not classified as a related party / connected person of the Fund as at June 30, 2021.

18.7 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

19 CASH AND CASH EQUIVALENTS	Note	2021	2020
		-----Rupees in '000-----	
Bank balances	4	31,574,052	23,296,117
Government securities - Market Treasury Bills	5	-	123,298
Letters of placements	5	-	700,000
Term deposit receipts	5	3,300,000	-
		<u>34,874,052</u>	<u>24,119,415</u>

**20 FINANCIAL INSTRUMENTS BY CATEGORY**

	----- 2021 -----		
	At amortised cost	At fair value through profit or loss	Total
	----- Rupees in '000 -----		
<b>Financial assets</b>			
Bank balances	31,574,052	-	31,574,052
Investments	-	4,959,251	4,959,251
Interest / profit accrued	184,830	-	184,830
Deposit and other receivable	105	-	105
	<u>31,758,987</u>	<u>4,959,251</u>	<u>36,718,238</u>

	2021	
	At amortised cost	Total
----- Rupees in '000 -----		
<b>Financial liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	79,266	79,266
Payable to Central Depository Company of Pakistan Limited - Trustee	2,015	2,015
Payable against redemption of units	139,379	139,379
Payable against purchase of investments	1,659,086	1,659,086
Accrued expenses and other liabilities	576	576
	<u>1,880,322</u>	<u>1,880,322</u>

	2020		
	At amortised cost	At fair value through profit or loss	Total
----- Rupees in '000 -----			
<b>Financial assets</b>			
Bank balances	23,296,117	-	23,296,117
Investments	-	6,098,620	6,098,620
Interest / profit accrued	94,379	-	94,379
Deposit and other receivable	159	-	159
Receivable against sale of units	1,736	-	1,736
	<u>23,392,391</u>	<u>6,098,620</u>	<u>29,491,011</u>

	2020	
	At amortised cost	Total
----- Rupees in '000 -----		
<b>Financial liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	101,100	101,100
Payable to Central Depository Company of Pakistan Limited - Trustee	1,617	1,617
Payable against redemption of units	6,497	6,497
Payable against purchase of investments	2,444,192	2,444,192
Accrued expenses and other liabilities	863	863
	<u>2,554,269</u>	<u>2,554,269</u>

## 21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

### 21.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: yield / interest rate risk, currency risk, and price risk.

#### (i) Yield / interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2021, the Fund is exposed to such risk on term deposit receipts, market treasury bills and bank balances. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

**a) Sensitivity analysis for variable rate instruments**

Presently, the Fund holds bank balances which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been higher / lower by Rs. 315.740 million (2020: Rs. 195.961 million).

**b) Sensitivity analysis for fixed rate instruments**

As at June 30, 2021, the Fund holds market treasury bills and term deposit receipts which are classified as financial assets at fair value through profit or loss' exposing the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Markets Association of Pakistan for market treasury bills and with all other variables held constant, the net income for the year and net assets of the Fund would have been lower / higher by Rs 49.593 million (2020: Rs. 56.986 million).

The composition of the Fund's investment portfolio, KIBOR rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2021 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

Yield / interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date.

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2021 can be determined as follows:

2021						
Effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	
	Up to three months	More than three months and up to one year	More than one year			
----- Rupees in '000 -----						
<b>Financial assets</b>						
Bank balances	5.00% to 8.12%	31,574,042	-	-	10	31,574,052
Investments	7.30% to 7.68%	4,959,251	-	-	-	4,959,251
Interest / profit accrued		-	-	-	184,830	184,830
Deposit and other receivable		-	-	-	105	105
		36,533,293	-	-	184,945	36,718,238
<b>Financial liabilities</b>						
Payable to ABL Asset Management Company Limited - Management Company		-	-	-	79,266	79,266
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	2,015	2,015
Payable against redemption of units		-	-	-	139,379	139,379
Payable against purchase of investments		-	-	-	1,659,086	1,659,086
Accrued expenses and other liabilities		-	-	-	576	576
		-	-	-	1,880,322	1,880,322
<b>On-balance sheet gap</b>		36,533,293	-	-	(1,695,377)	
<b>Total interest rate sensitivity gap</b>		36,533,293	-	-		
<b>Cumulative interest rate sensitivity gap</b>		36,533,293	36,533,293	36,533,293		

2020					
Effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		

Rupees in '000

<b>Financial assets</b>						
Bank balances	5.00% to 9.00%	19,196,107	-	-	4,100,010	23,296,117
Investments	7.07% to 14.64%	1,150,337	4,948,283	-	-	6,098,620
Interest / profit accrued		-	-	-	94,379	94,379
Deposit and other receivable		-	-	-	159	159
Receivable against sale of units		-	-	-	1,736	1,736
		20,346,444	4,948,283	-	4,196,284	29,491,011

<b>Financial liabilities</b>						
Payable to ABL Asset Management Company Limited - Management Company		-	-	-	101,100	101,100
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	1,617	1,617
Payable against redemption of units		-	-	-	6,497	6,497
Payable against purchase of investments		-	-	-	2,444,192	2,444,192
Accrued expenses and other liabilities		-	-	-	863	863
		-	-	-	2,554,269	2,554,269

**On-balance sheet gap** 20,346,444 4,948,283 - 1,642,015

**Total interest rate sensitivity gap** 20,346,444 4,948,283 -

**Cumulative interest rate sensitivity gap** 20,346,444 25,294,727 25,294,727

## (ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

## (iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not have any investment in equity securities as of June 30, 2021.

## 21.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, 2008, the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the current year.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.



The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

2021						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000						
<b>Financial assets</b>						
Bank balances	31,574,052	-	-	-	-	31,574,052
Investments	3,300,000	689,020	970,231	-	-	4,959,251
Interest / profit accrued	184,830	-	-	-	-	184,830
Deposit and other receivable	105	-	-	-	-	105
	35,058,987	689,020	970,231	-	-	36,718,238
<b>Financial liabilities</b>						
Payable to ABL Asset Management Company Limited - Management Company	79,266	-	-	-	-	79,266
Payable to Central Depository Company of Pakistan Limited - Trustee	2,015	-	-	-	-	2,015
Payable against redemption of units	139,379	-	-	-	-	139,379
Payable against purchase of investments	1,659,086	-	-	-	-	1,659,086
Accrued expenses and other liabilities	242	334	-	-	-	576
	1,879,988	334	-	-	-	1,880,322
<b>Net financial assets</b>	<b>33,178,999</b>	<b>688,686</b>	<b>970,231</b>	<b>-</b>	<b>-</b>	<b>34,837,916</b>

2020						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000						
<b>Financial assets</b>						
Bank balances	23,296,117	-	-	-	-	23,296,117
Investments	700,000	450,337	4,948,283	-	-	6,098,620
Interest / profit accrued	89,872	4,507	-	-	-	94,379
Deposit and other receivable	100	-	-	-	59	159
Receivable against sale of units	1,736	-	-	-	-	1,736
	24,087,825	454,844	4,948,283	-	59	29,491,011
<b>Financial liabilities</b>						
Payable to ABL Asset Management Company Limited - Management Company	101,100	-	-	-	-	101,100
Payable to Central Depository Company Limited - Trustee	1,617	-	-	-	-	1,617
Payable against redemption of units	6,497	-	-	-	-	6,497
Payable against purchase of investments	2,444,192	-	-	-	-	2,444,192
Accrued expenses and other liabilities	493	370	-	-	-	863
	2,553,899	370	-	-	-	2,554,269
<b>Net financial assets</b>	<b>21,533,926</b>	<b>454,474</b>	<b>4,948,283</b>	<b>-</b>	<b>59</b>	<b>26,936,742</b>

### 21.3 Credit risk

21.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	2021		2020	
	Balance as per statement of assets and	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	----- Rupees in '000 -----			
Bank balances	31,574,052	31,574,052	23,296,117	23,296,117
Investments	4,959,251	3,300,000	6,098,620	6,098,620
Interest / profit accrued	184,830	184,830	94,379	94,379
Deposit and other receivable	105	105	159	159
Receivable against sale of units	-	-	1,736	1,736
	<u>36,718,238</u>	<u>35,058,987</u>	<u>29,491,011</u>	<u>29,491,011</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2021 is the carrying amount of the financial assets other than market treasury bills.

#### Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks, term deposit receipts, sukuk certificates, commercial papers, letter of placements and profit accrued thereon. The credit rating profile of balances with banks, term deposit receipts, sukuk certificates, commercial papers, letter of placements and profit accrued thereon is as follows:

21.3.2 Rating	% of financial assets exposed to credit risk	
	2021	2020
<b>Bank balances</b>		
AAA	86.27%	79.26%
	0.09%	-
<b>Letter of placement</b>		
AAA	-	2.41%
AA+	-	-
<b>Commercial papers</b>		
A-1+	-	1.11%
<b>Sukuk certificates</b>		
AA+	-	1.37%
<b>Term deposit receipts</b>		
AA+	9.12%	-
	<u>95.48%</u>	<u>84.15%</u>

## 22 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

#### Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and



Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at June 30, 2021 and June 30, 2020, the Fund held the following financial instruments measured at fair values:

	2021			Total
	Level 1	Level 2	Level 3	
	Rupees in '000			
<b>At fair value through profit or loss</b>				
Government Securities - Market Treasury Bills	-	1,659,251	-	1,659,251
Term deposit receipts **	-	3,300,000	-	3,300,000
	-	4,959,251	-	4,959,251
	2020			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
<b>At fair value through profit or loss</b>				
Government Securities - Market Treasury Bills	-	4,671,581	-	4,671,581
Sukuk certificates **	-	400,000	-	400,000
Commercial papers *	-	327,039	-	327,039
Letter of placements **	-	700,000	-	700,000
	-	6,098,620	-	6,098,620

\* The valuation of commercial papers has been done based on amortisation to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of these investments is less than six months and are placed with counterparties which have high credit rating.

\*\* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

## 23 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown in the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 21, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

## 24 UNIT HOLDING PATTERN OF THE FUND

Category	2021			2020		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Individuals	4,195	3,399,653	9.77%	3,597	4,238,459	15.75%
Associated companies /						
Directors	10	6,202,116	17.82%	9	6,859,642	25.49%
Insurance companies	2	125,665	0.36%	1	15,246	0.06%
Banks and DFIs	1	625,251	1.80%	-	-	-
Retirement Funds	37	460,116	1.32%	31	408,690	1.52%
Public limited companies	56	22,690,116	65.19%	48	15,202,020	56.49%
Others	25	1,304,653	3.75%	19	186,915	0.69%
	4,326	34,807,570	100.00%	3,705	26,910,972	100.00%

25 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2021		2020	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Optimus Markets (Private) Limited	43.42%	Paramount Capital (Private) Limited	35.60%
JS Global Capital Limited	11.66%	Optimus Markets (Private) Limited	27.79%
Arif Habib Limited	9.11%	Summit Capital (Private) Limited	12.51%
Paramount Capital (Private) Limited	7.99%	Magenta Capital (Private) Limited	4.55%
KASB Securities Limited	5.53%	Bright Capital (Private) Limited	4.10%
Invest One Markets Limited	4.72%	Next Capital Limited	3.93%
Magenta Capital (Private) Limited	3.27%	Vector Capital (Private) Limited	3.38%
Icon Securities (Private) Limited	3.17%	JS Global Capital Limited	3.28%
Continental Exchange (Private) Limited	2.76%	Invest One Markets Limited	2.81%
Vector Capital (Private) Limited	2.52%	BIPL Securities Limited	1.28%

26 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the details in respect of members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience (in years)
Alee Khalid Ghaznavi	Chief Executive Officer	MBA	20
Saqib Matin	CFO & Company Secretary	FCA & FPFA	22
Fahad Aziz	Head of Fixed Income	MBA	15
Ali Ahmed Tiwana	Head of Equity	CIMA	11
M. Tahir Saeed	Head of Risk Management	CFA	9
M. Abdul Hayee	Fund Manager - Equity	MBA & CFA	13
Abdul Rehman Tahir	Fund Manager - Fixed Income	MBA & CFA	10

27 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Fahad Aziz	Head of Fixed Income	MBA	ABL Government Securities Fund, ABL Income Fund and ABL Special Savings Fund

28 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 64th, 65th, 66th and 67th Board of Directors meetings were held on August 18, 2020, October 27, 2020, February 11, 2021 and April 12, 2021, respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

S. No.	Name	Number of meetings			Meetings not attended
		Held	Attended	Leave granted	
1	Sheikh Mukhtar Ahmed	4	4	-	-
2	Mohammad Naeem Mukhtar	4	3	1	64th
3	Muhammad Waseem Mukhtar	4	3	1	65th
4	Tahir Hassan Qureshi *	2	-	2	64th & 65th
5	Muhammad Kamran Shehzad	4	4	-	-
6	Pervaiz Iqbal Butt	4	4	-	-
7	Aizid Razzaq Gill **	2	2	-	-
8	Saira Shahid Hussain***	1	1	-	-
9	Alee Khalid Ghaznavi (CEO)	4	4	-	-
<b>Other persons</b>					
10	Saqib Matin****	4	4	-	-

\* Tahir Hassan Qureshi resigned on December 31, 2020

\*\* Aizid Razzaq Gill has been appointed as the director with effect from January 1, 2021

\*\*\* Saira Shahid Hussain has been elected as the director in the 13th AGM dated March 31, 2021

\*\*\*\* Saqib Matin attended the meetings as the Company Secretary.





**29 RATING OF THE FUND AND THE MANAGEMENT COMPANY**

VIS Credit Rating Company Limited has determined the asset manager rating of the Management Company of AM2++ (2020: AM2++) on December 31, 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

Furthermore, VIS Credit Rating Company Limited has reaffirmed the stability rating of the Fund at "AA+(f)" [2020: "AA+(f)"] on December 31, 2020.

**30 CORRESPONDING FIGURES**

Corresponding figures have been re-classified and re-arranged in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications have been made in these financial statements during the current year.

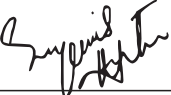
**31 DATE OF AUTHORISATION FOR ISSUE**

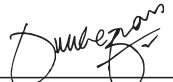
These financial statements were authorised for issue by the Board of Directors of the Management Company on August 25, 2021.


**32 GENERAL**

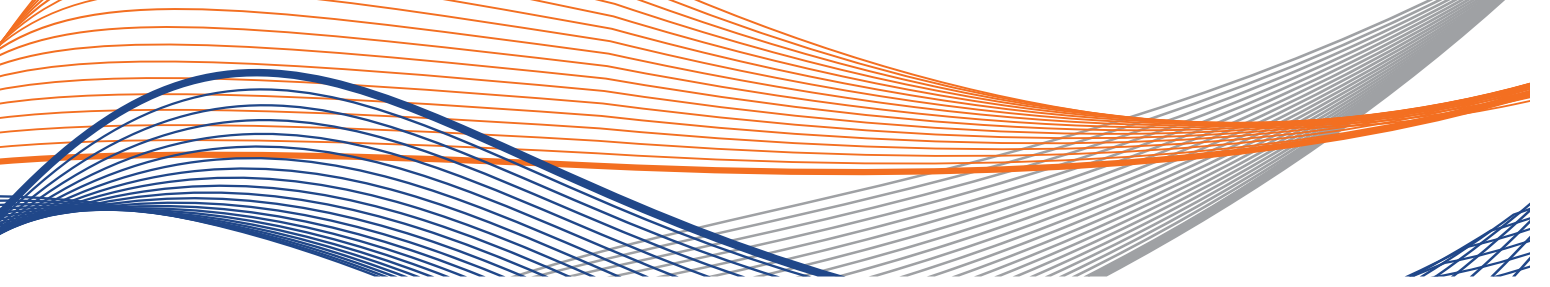
**32.1** Figures have been rounded off to the nearest thousand Rupee unless otherwise stated.

**For ABL Asset Management Company Limited  
(Management Company)**

  
\_\_\_\_\_  
**Saqib Matin**  
Chief Financial Officer

  
\_\_\_\_\_  
**Alee Khalid Ghaznavi**  
Chief Executive Officer

  
\_\_\_\_\_  
**Pervaiz Iqbal Butt**  
Director



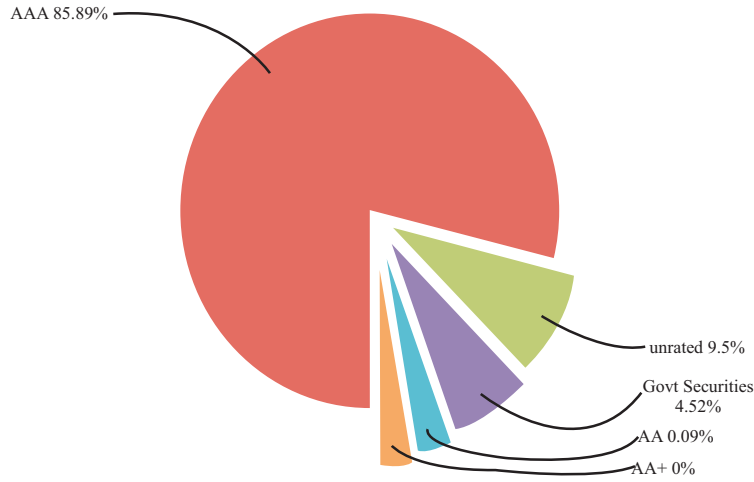
## DISCLOSURE OF PROXY VOTING

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The Board of Directors of ABL Asset Management Company Limited (the Management Company of the fund) have overall responsibility for the implementation of Proxy Voting Policy and Procedures which is available on Management Company's website ([www.ablamc.com](http://www.ablamc.com)). During the financial year, the Management Company on behalf of the Fund did not participate in 38 shareholders' meeting. Moreover, details of summarized proxies voted are as follows:

	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	-	-	-	-	-
(%ages)	-	-	-	-	-

## CREDIT QUALITY OF PORTFOLIO (% OF TOTAL ASSETS)



### اعتراف

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، ٹرسٹی (سنٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کے انتظامیہ کی ان کی مسلسل رہنمائی اور مدد کے لئے ان کا شکریہ بھی ادا کرتا ہے۔ ڈائریکٹرز انتظامی ٹیم کے ذریعہ کی جانے والی کوششوں کی بھی تعریف کرتے ہیں۔

بورڈ کی طرف سے اور بورڈ کے لئے

ڈائریکٹر

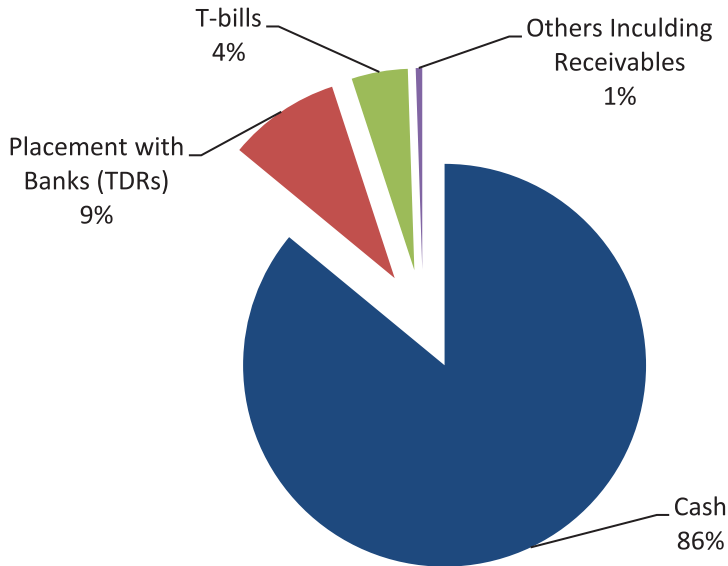
لاہور، 25 اگست، 2021

علی خالد غزنوی  
چیف ایگزیکٹو آفیسر

جبکہ پیداوار کی وکر کے مختصر سے درمیانی شرائط کے ساتھ کسی بھی غلط قیمت کا زیادہ سے زیادہ فائدہ اٹھایا جائے۔ اس کے علاوہ فنڈ 3-6 ماہ کی مدت کے ساتھ اعلیٰ پیداوار والے آلات میں سرمایہ کاری کرتا رہے گا اور سہ ماہی اور سال کے اختتام پر بینک کی طرف سے پیش کردہ خصوصی ڈیپازٹ ریٹ پر فنڈز رکھے گا۔

FY-2021	اے بی ایل کیش فنڈ کی کارکردگی
6.91%	پیداوار
6.71%	بنچ مارک 70% / 3 ماہ VRKP کی اوسط اور 30% / 3 ماہ بینک ڈیپازٹ کی شرح
6.05	نیٹ اثاثوں کی میعاد ختم ہونے کا اوسط وزن (دن)
34,807.57	اثاثہ زیر انتظام 30 جون 2020 تک (PKR MN)
10.1831	30 جون 2021 (PKR) کے مطابق فی یو نیٹ (EX Dividend NAV)

## Asset Allocation



4. مالی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو ہوتی ہیں اور محاسبہ کا تخمینہ معقول اور محتاط فیصلوں پر مبنی ہوتا ہے۔

5. متعلقہ بین الاقوامی اکاؤنٹنگ معیارات ، جیسا کہ پاکستان میں لاگو ہوتا ہے ، غیر بینکاری فنانس کمپنیوں (اسٹیبلشمنٹ اینڈ ریگولیشن) رولز 2003 اور نان بینکنگ فنانس کمپنیوں اور مطلع شدہ اداروں کے ضوابط ، 2008 کی دفعات ، ٹرسٹ ڈیڈ کی شرائط اور جاری کردہ ہدایات مالیاتی بیانات کی تیاری میں سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی پیروی کی گئی ہے۔

6. اندرونی کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور اس کو موثر انداز میں لاگو اور نگرانی کیا گیا ہے۔

7. فنڈ کی تشویش کی حیثیت سے جاری رکھنے کی اہلیت پر کوئی خاص شبہات نہیں ہیں۔

8. فنڈ کی کارکردگی کا جزو سالانہ رپورٹ کے صفحہ # \_\_\_\_\_ پر دیا گیا ہے۔

9. ٹیکسوں ، ڈیوٹیوں ، محصولات اور محصولات اور مالی معاوضوں میں پہلے ہی انکشاف کے علاوہ دیگر معاوضوں کی وجہ سے کوئی قانونی ادائیگی نہیں ہے۔

10. پروویڈنٹ فنڈ کی سرمایہ کاری کی قیمت کے بارے میں بیان فنڈ کے معاملے میں لاگو نہیں ہوتا ہے کیونکہ ملازمین کی ریٹائرمنٹ کے فوائد کے اخراجات انتظامیہ کمپنی برداشت کرتی ہے۔

11. 30 جون ، 2021 کو یونٹ ہولڈنگز کا پیٹرن مالیاتی گوشوارے کے نوٹ نمبر \_\_\_\_\_ میں دیا گیا ہے۔

## آڈیٹر

میسرز۔ اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹ) کو ، اے بی ایل کیش فنڈ (اے بی ایل سی ایف) کے لئے 30 جون 2022 کو ختم ہونے والے سال کے لئے دوبارہ آڈیٹر مقرر کیا گیا ہے۔

## فنڈ استحکام کی درجہ بندی

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے 31 دسمبر ، 2020 کو ، اے بی ایل کیش فنڈ کی فنڈ استحکام کی درجہ بندی 'AA+(f)' کی تصدیق کر دی ہے۔

## مینجمنٹ کمپنی کی کوالٹی کی درجہ بندی

31 دسمبر ، 2020 کو ، JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ (ABL AMC) کی 'AM2 ++' (AM-two-Double Plus) کی مینجمنٹ کوالٹی ریٹنگ کی تصدیق کر دی ہے۔ (اے ایم ٹو پلس پلس) تفویض کردہ درجہ بندی پر آؤٹ لک 'مستحکم' ہے۔

## آؤٹ لک اور اسٹریٹیجی

معاشی تعداد میں بہتری اور کاروباری اعتماد کی غیر یقینی صورتحال کے باوجود پاکستان میں جاری چوتھی کویڈ 19 کی لہر اور نئی شکلوں کے عالمی پھیلاؤ کے نتیجے میں رہائشی مالیاتی پالیسی کے ذریعے بحالی کی حمایت پر مسلسل زور دیا گیا۔ نتیجے کے طور پر پالیسی کی شرح سال بھر میں بغیر کسی تبدیلی کے 7 فیصد رہی۔

آگے بڑھتے ہوئے ہم توقع کرتے ہیں کہ شرح سود 7.00 فیصد کی موجودہ سطح پر کم از کم مالی سال 22 کی دوسری سہ ماہی کے اختتام تک برقرار رہے گی۔ فنڈ کی حکمت عملی یہ ہوگی کہ T-بلوں کو فعال طور پر تجارت کیا جائے

## مقصد

اے بی ایل کیش فنڈ کا مقصد منی مارکیٹ اور خود مختار قرضوں کے آلات کے امتزاج کے ذریعے سرمایہ کاروں کو ، اعلیٰ سطح کی لیکویڈیٹی کے ساتھ مستقل منافع فراہم کرنا ہے۔

## منی مارکیٹ کا جائزہ

سال بھر میں کلیدی شرح سود میں کوئی تبدیلی نہیں کی گئی اور پالیسی کی شرح 7.00% پر برقرار ہے۔ شرح سود کو ترقی کو یقینی بنانے کے لیے مناسب پالیسی اقدامات کے ایک حصے کے طور پر برقرار رکھا گیا۔

اگرچہ شرح سود میں کوئی تبدیلی نہیں کی گئی ، ٹی بل اور پی آئی بی دونوں کے لیے پرائمری مارکیٹ کٹ آف پیداوار میں بار بار تبدیلیاں دیکھی گئیں۔ چھوٹے اور درمیانے درجے کے آلات کے درمیان پھیلاؤ کو وسیع کرنے کی وجہ سے پیداوار کا گراف کھڑا رہا۔ اس کے نتیجے میں ، KIBOR اسپریڈز میں توسیع بھی دیکھی گئی۔ سال کے دوران M6 KIBOR 7.03% سے بڑھ کر 7.61% ہو گیا۔

مالی سال 21 کے دوران ، حکومت پاکستان نے 14.50 کھرب روپے مالیت کے ٹی بلز فروخت کیے جن کی کل پختگی 14.20 کھرب روپے تھی جبکہ کٹ آف پیداوار 6.43 فیصد سے 7.44 فیصد تک M3 ٹی بلوں کے لیے ، 6.47 فیصد سے 7.75 فیصد M6 کے لیے ٹی بل اور 6.55 سے 7.99 فیصد بالترتیب M12 ٹی بلز کے لیے۔ کٹ آف پیداوار میں وسیع تبدیلی پالیسی ریٹ میں ممکنہ تبدیلی کے لیے مارکیٹ کی توقع کی عکاس ہے۔ مالی سال 21 کے اختتام پر کٹ آف پیداوار بالترتیب 3 ، 6 اور M12 کے لیے 7.31% ، 7.58% اور 7.79% پر طے ہوئی۔

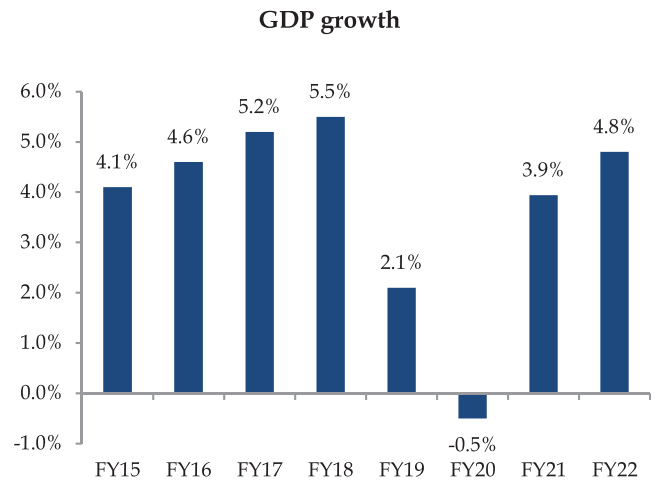
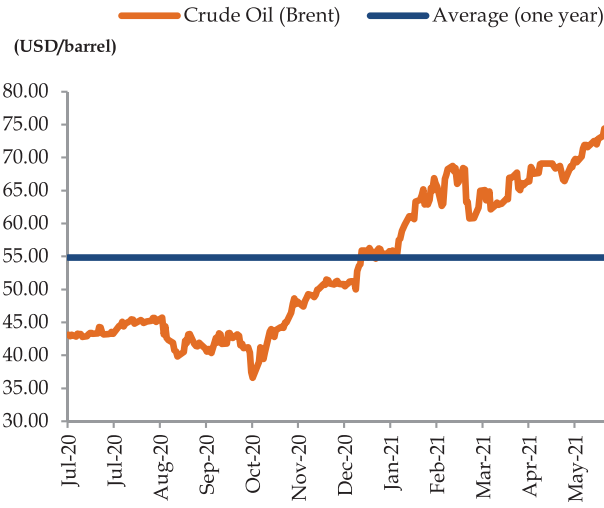
ٹی بلز کے علاوہ ، GoP نے 961 بلین روپے کے فکسڈ ریٹ پاکستان انویسٹمنٹ بانڈز بھی فروخت کیے۔ ٹینور وار بریک اپ 410 ارب روپے کے 5 سال بانڈ میں زیادہ سے زیادہ شرکت اور قبولیت کو ظاہر کرتا ہے جبکہ 3 اور 10 سال کی قبولیت کی رقم بھی بالترتیب 377.10 اور 173 ارب روپے میں صحت مند رہی۔ 3 سال ، 5 سال اور 10 سال بانڈز کے لیے حالیہ کٹ آف ریٹ 8.69% ، 9.20% تھے۔ تاہم کٹ آف ریٹس میں وسیع پیمانے پر تغیرات 5 اور 10 سال کٹ آف پیداوار کی نیلامی کے دوران دیکھے گئے۔

## فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران ، اے بی ایل کیش فنڈ (اے بی ایل سی ایف) نے 6.91 فیصد کی غیر معمولی واپسی کی ترسیل کرتے ہوئے 20 بی پی ایس تک 6.71 فیصد کی بینچ مارک ریٹرن کو پیچھے چھوڑ دیا۔ واپسی فعال پورٹ فولیو مینجمنٹ کے ذریعے حاصل کی گئی تھی۔ واپسی کی وجہ بنیادی طور پر اعلیٰ معیار کے بینکوں کے ساتھ غیر معمولی منافع کی شرح مذاکرات کے ساتھ ساتھ ٹریڈری بلوں پر تجارتی فوائد کی وجہ تھی۔ مالی سال 2 کے اختتام پر ، بینک ذخائر میں مختص 85.98 فیصد ، ٹی بل 4.51 فیصد اور تجارتی کاغذوں میں 8.99 فیصد رہا۔ سال کے دوران ، اے بی ایل کیش فنڈ کی خالص اثاثہ جات 30 جون 2020 کو پی کے آر 26.91 بلین کے مقابلہ میں 30 جون ، 2021 کو پی کے آر 34.807 بلین تک بڑھ گئیں۔

## اضافی معاملات

1. انتظامیہ کمپنی کے ڈائریکٹرز کی تفصیل اس سالانہ رپورٹ میں ظاہر کی گئی ہے۔
2. مالی بیانات معاملات کی منصفانہ حالت ، پیش کردہ کارروائیوں ، نقد بہاؤ اور یونٹ ہولڈر کے فنڈ میں بدلاؤ پیش کرتے ہیں۔
3. فنڈ کے اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئیں۔



پاکستان نے مالی سال 20 میں جی ڈی پی منفی 0.4 فیصد سالانہ رپورٹ کی ہے جو مالی سال 19 میں 3.3 فیصد تھی۔ وبائی بیماری نے 2QCY20 میں معاشی سرگرمیوں کو شدید متاثر کیا ہے۔ اس طرح معیشت مثبت نمو کو برقرار نہیں رکھ سکتی۔ جولائی اپریل 2020 کی مدت کے دوران ، بڑے پیمانے پر مینوفیکچرنگ (8.96% LSM) فیصد YoY نمایاں طور پر گھٹ گئی جبکہ SPLY میں 2.82 فیصد کمی آئی۔ کم کرنے میں اہم حصہ ٹیکسٹائل (-8.68%) ، کوک اور پٹرولیم مصنوعات (21.15%) ، آئرن اور سٹیل مصنوعات (-15.68%) ، آٹوموبائل (-41.90%) ، دواسازی (-5.31%) ، اور الیکٹرانکس (-19.7%)۔ صنعت اور معیشت کی حالت کو دیکھتے ہوئے حکومت نے سمارٹ لاک ڈاؤن کا فیصلہ کیا جہاں تمام بڑی صنعتوں کو کام کرنے کی اجازت دی گئی ہے۔ ہم توقع کرتے ہیں کہ یہ اگلے مالی سال میں جی ڈی پی سیکڑنے سے بچ جائے گا۔ تاہم ، ترقی کی شرح متاثر کن ہونے کی توقع نہیں ہے۔

آگے بڑھتے ہوئے ، خاص طور پر مختصر مدت میں ، مارکیٹ کی سمت آنے والے نتائج اور ملک میں کورونا وائرس وبائی امراض کی صورتحال سے طے کی جائے گی۔ اور معیشت پر اس کے اثرات حکومت کی جانب سے انڈسٹری کو سپورٹ کرنے کے لیے اعلان کردہ ترغیبات CY20 کے باقی حصوں میں پوری ہونے کی توقع ہے۔ نمایاں ہیں قرض کے پرنسپل پر رعایت کی مدت نقد بہاؤ کو منظم کرنے میں مدد کے لیے جبکہ تعمیراتی پیکج معاشی سرگرمیوں کو فروغ دینے کے لیے۔ اور ملک میں روزگار کے مواقع پیدا کریں۔ ان کے علاوہ ، پالیسی کی شرح کو کافی حد تک کم کر کے 7 فیصد کر دیا گیا ہے ، جو لیوریجڈ صنعتوں اور صارفین کے لیے ایک اور بڑی راحت ہے۔

## میوچل فنڈ انڈسٹری کا جائزہ

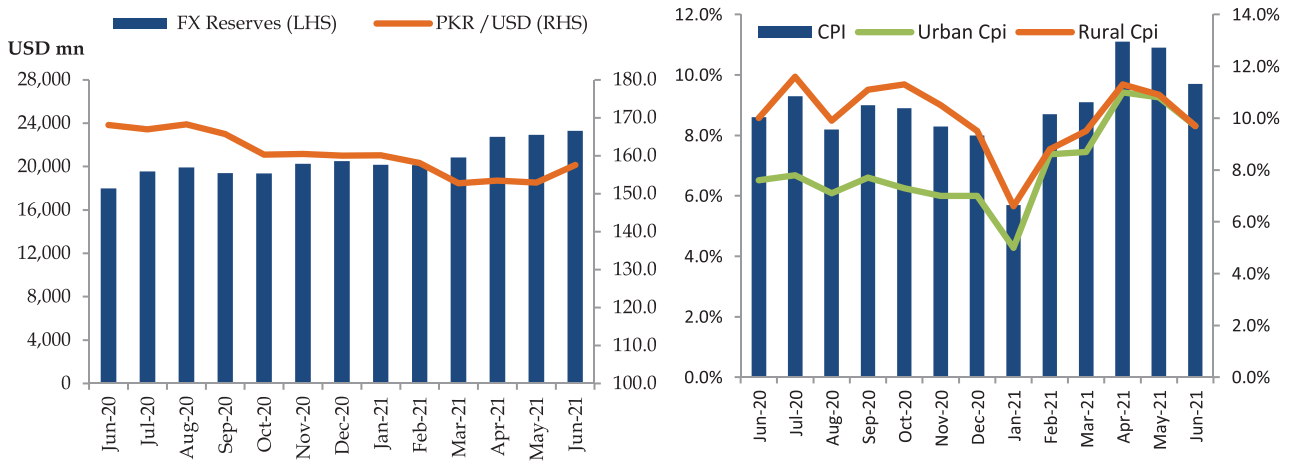
اوپن اینڈ میوچل فنڈ کے زیر انتظام کل اثاثے (AUMs) مالی سال 20 کے دوران PKR 572bn سے PKR 788bn تک 38 فیصد کی نمایاں اضافہ ہوا ، بنیادی طور پر منی مارکیٹ فنڈ اور فکسڈ انکم فنڈ میں بڑے پیمانے پر آمد کی وجہ سے۔ منی مارکیٹ فنڈ بشمول روایتی اور اسلامی ، پی کے آر 318 bn پر مدت کو بند کرنے کے لیے 92 فیصد کی زبردست ترقی دیکھی گئی۔ مذکورہ مدت کے دوران فکسڈ انکم فنڈ کے AUMs میں روایتی اور شریعت کے مطابق فنڈ کے AUMs میں 66 فیصد اضافہ ہوا۔ اس ترقی کو بنیادی طور پر 9MFY20 کے دوران سیکڑنے والی مانیٹری پالیسی کے ماحول میں زیادہ منافع کمانے کے لیے سرمایہ کاروں کی بھوک سے منسوب کیا جا سکتا ہے۔ مقررہ آمدنی کے برعکس ، اس مدت کے دوران ایکویٹی مارکیٹ AUMs میں 5 فیصد کمی واقع ہوئی ہے۔ ملک میں لاک ڈاؤن اور کورونا وائرس کے کیسز کی بڑھتی ہوئی تعداد سرمایہ کاروں کو خطرناک اثاثوں میں سرمایہ کاری کے حوالے سے محتاط کر دیتی ہے۔ کوویڈ 19 کی وجہ سے ایکویٹی مارکیٹ میں ہنگامہ آرائی اور مالی سال 20 کے دوران تیل کی بین الاقوامی قیمتوں میں غیر یقینی صورتحال نے ایکویٹی فنڈز کی اے یو ایم کو کم کرنے میں اہم کردار ادا کیا۔

## مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل کیش فنڈ (اے بی ایل-سی ایف) کی انتظامیہ کمپنی، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون، 2021 کو ختم ہونے والے سال کے لئے اے بی ایل کیش فنڈ کے آڈٹ شدہ فنانشل اسٹیٹمنٹ پیش کرنے پر خوشی محسوس کرتے ہیں۔

### اقتصادی کارکردگی کا جائزہ

لاک ڈاؤن نے سپلائی کے مسائل کے ساتھ ملک میں افراط زر کا دباؤ پیدا کیا کیونکہ ہم نے مئی 20 میں 8.22 فیصد YoY کی 11 ماہ کی کم افراط زر کو حاصل کرنے کے بعد جون 20 میں 8.59 فیصد YoY کا CPI دیکھا۔ ماہانہ بنیادوں پر، افراط زر میں 0.81 فیصد اضافہ ہوا جبکہ پچھلے مہینے میں 0.32 فیصد اضافہ ہوا۔ مہینے کے دوران ایشیائے خوردنوش کی قیمتوں میں زبردست اضافہ دیکھنے میں آیا۔ مالی سال 20 کے لیے اوسط NCPI این سی پی ائی 10.76 فیصد سالانہ ہے جبکہ SPLY میں 6.80 فیصد سالانہ ہے۔ مطلب یہ کہ، ہم مالی سال 21 کے لئے اوسط NCPI این سی پی ائی کا تخمینہ لگاتے ہیں جو YoY 7.3 فیصد سالانہ ہے۔



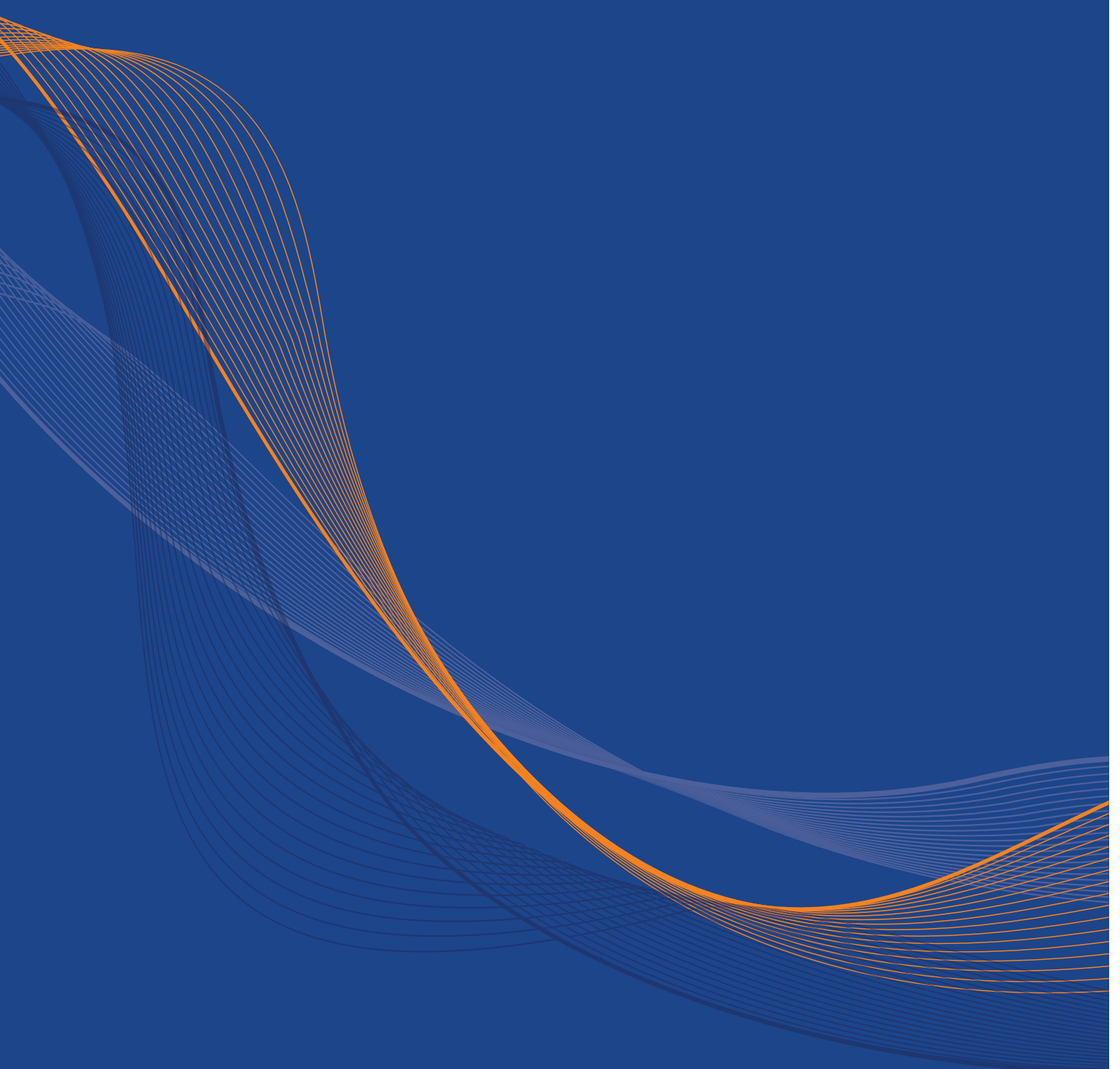
کرنٹ اکاؤنٹ خسارہ (CAD) میں کمی بی او پی کی مستحکم پوزیشن کی راہ ہموار کرتی ہے۔ 11MFY20 کے دوران Y YoY 74 سے کم ہو کر 3.28 بلین امریکی ڈالر رہ گیا۔ درآمدات 20 فیصد کم ہو کر 46.63 بلین ڈالر رہ گئیں جبکہ عالمی لاک ڈاؤن کے باوجود صرف 7 فیصد YoY کی وجہ سے 11MFY20 کے دوران 25.99bn ڈالر رہ گئی۔ تاہم، کارکنوں کی ترسیلات زر میں سالانہ 6 فیصد اضافے کی اطلاع 23.12 بلین امریکی ڈالر تک پہنچ گئی۔ مزدوروں کی ترسیلات کو خطرہ ہمارے خیال میں ختم ہو گیا ہے کیونکہ دنیا بھر میں معاشی سرگرمیاں بڑھ رہی ہیں۔ تاہم، آنے والے مہینوں میں بنیادی طور پر تیل کی درآمدی بل کی وجہ سے CAD میں اضافہ ہو سکتا ہے کیونکہ تیل کی بین الاقوامی قیمتوں میں اضافہ اور حکومت کی طرف سے اجازت دی گئی ہے۔ ملک میں بجلی کی طلب کو پورا کرنے کے لیے فرنس ائل درآمد کرنا۔ 03 جولائی 2020 کو ملک کے زرمبادلہ کے ذخائر 18.79 بلین ڈالر ہیں۔ 3.09 ماہ کا درآمدی کور فراہم کرنا۔ وبائی مرض سے لڑنے کے لیے، مختلف بین الاقوامی ادارے بشمول آئی ایم ایف، اے ڈی پی، ڈبلیو بی اور پیرس کلب دوست ممالک کے ساتھ مل کر پاکستان کی مدد کے لیے آگے آئے ہیں جس کے نتیجے میں ذخائر مستحکم ہوئے ہیں۔ مالی پہلو پر، مالی سال 20 کے دوران، عارضی ٹیکس وصولی 3.98 ٹن روپے تک پہنچ گئی ہے، جو کہ سالانہ 4 فیصد اضافے کی عکاسی کرتی ہے۔ جون 20 کے مہینے کے دوران، ٹیکس کی وصولی PKR 420bn رہی جو اس کے نظر ثانی شدہ PKR 398bn کے ہدف کے مقابلے میں تھی۔





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