



ABL Government Securities 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

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

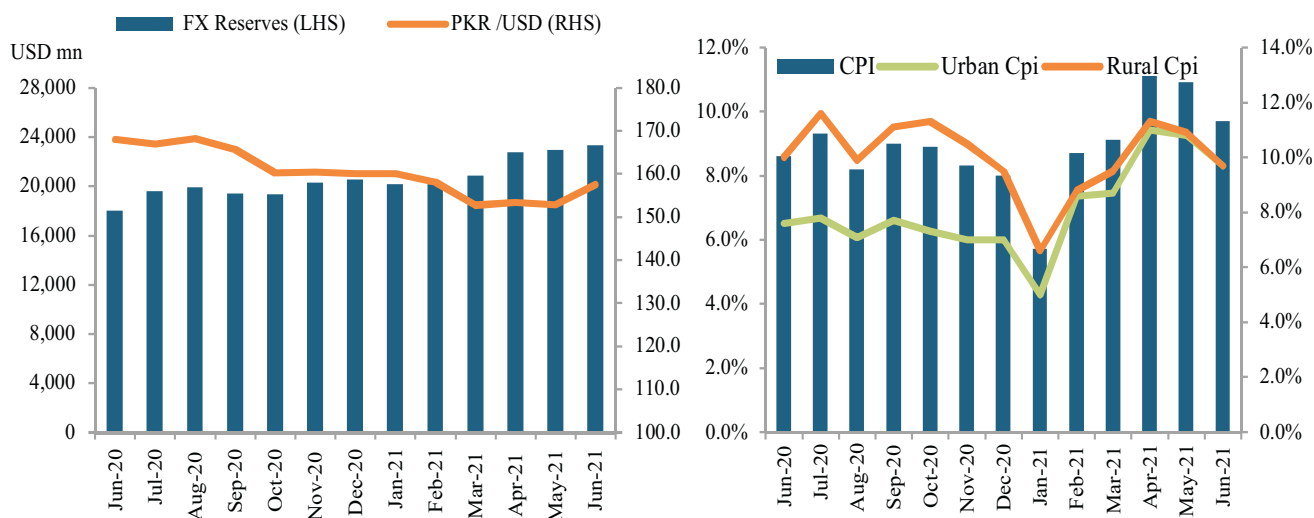


REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

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

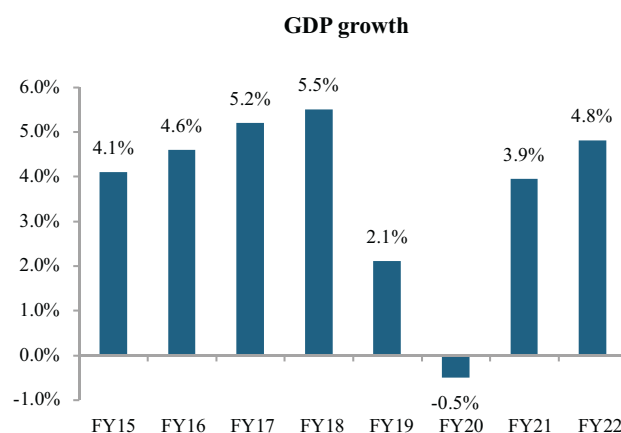
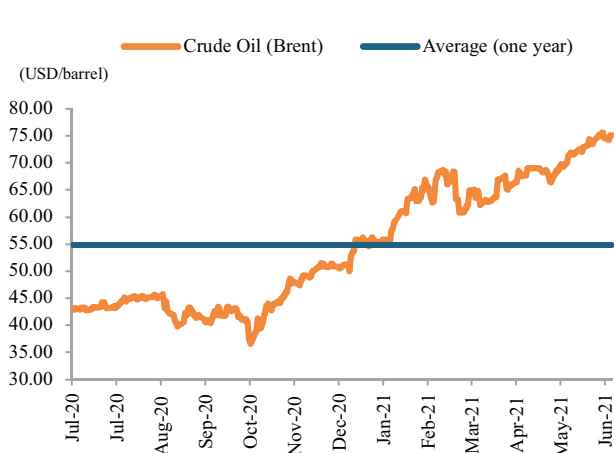
ECONOMIC PERFORMANCE REVIEW

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 Government Securities Fund is to deliver optimal risk adjusted returns by investing mainly in mix of short to long term Government Securities and other debt instrument.



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

For the Year ended FY21, annualized return of ABL GSF stood at 5.08% against the benchmark return of 7.28%, underperforming the benchmark by 220 bps.

At the end of FY21, fund had 47.96% exposure in PIBs, 5.44% exposure in Corporate Sukuk and 44.41% of the fund's exposure was placed as cash placements. AUMs of ABL GSF closed at PKR 2.875 billion as at June 30, 2021 as compared to PKR 4.679 billion as at 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 # 11 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. 24 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 Government Securities Fund (ABL-GSF).

FUND STABILITY RATING

On December 31, 2020: VIS Credit Rating Company Limited (VIS) has upgraded the Fund Stability Rating (FSR) of ABL Government Securities Fund (ABL GSF) to 'AA- (f)' (Double A Minus (f)) from 'A+ (f)' (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'.

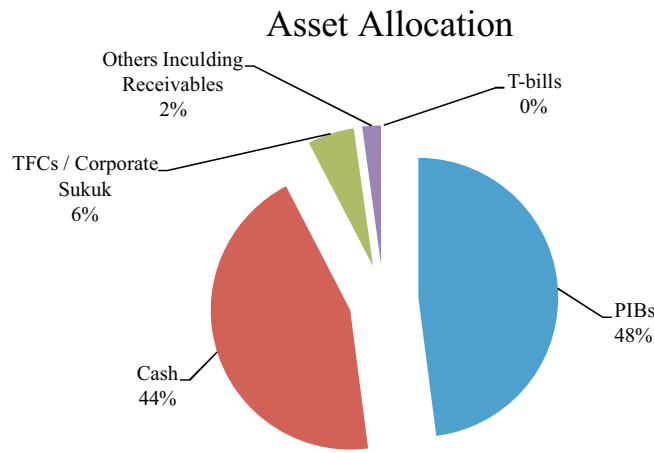
OUTLOOK AND STRATEGY

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%.

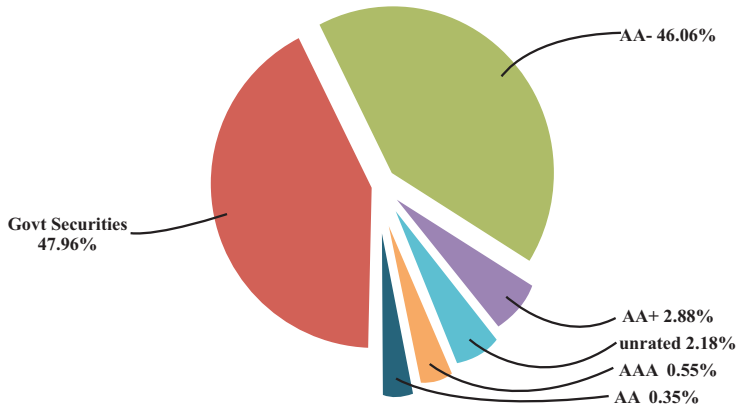
Going forward we expect the interest rates to be maintained at the current level of 7.00% at least till the end of the second quarter of FY22. The fund's strategy will be to trade T-bills actively while taking maximum advantage of any mispricing along the short to medium terms portion of the yield curve. In order to generate alpha the fund shall continue to take/maintain trading positions in PIBs. 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 Government Securities Fund Performance		FY-2021
Yield		5.08%
6 Months PKRV rates		7.28%
Weighted Average Time to Maturity of Net Assets (days)		904.6
Asset under management as at June 30,2021 (PKR mn)		2,875.5
Closing NAV per unit as on June 30,2021 (PKR) (Ex-Dividend)		10.0760





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

OBJECTIVE

The objective of ABL Income Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium and long term debt instruments, both within and outside Pakistan.

FIXED INCOME MARKET REVIEW

During the period under review money market remained volatile, as SBP's stance moved from monetary tightening to easing. SBP raised interest rates in Jul'19 by 100 bps to combat inflation and attract foreign investments in PKR denominated debt instruments. However, these plans came undone when coronavirus upended the hopes for economic revival and SBP was forced by the circumstances to cut interest rate by 625ps. Pakistan investment bonds (PIBs) trading yields came down from 13.72% to 8.69%, with this the yield curve finally moved into normal slope. During the year, the money market witnessed a seasonal lack of liquidity as SBP continued with frequent open market operations (OMOs). At the end of the period under review, the SBP remained a net lender of worth PKR 1,041 billion under a single reverse repo arrangement at a cut-off rate of 7.03%. On the T-bills side, the 3-Month cut off yields decreased from 12.75% to 7.09%. During the period under review participation in 6 & 12M remained high as the market participants' expectation for inflation started to come down as SBP started cutting interest rates. The cut-offs for 12M T-bill came down by ~608bps to 7.05% whereas the bond cut off yields for 3, 5 & 10 years closed at 7.35%, 8.11% & 8.69% respectively.

FUND PERFORMANCE

During the period, ABL IF posted an annualized return of 14.32% against its benchmark return of 12.23% thereby outperforming the benchmark by 209bps.

During the FY'20, Net Assets of ABL Income Fund slightly decreased to PKR 1.490 billion as compared to PKR 1.692 billion as on June 30, 2019. The fund's allocation had 17.43% exposure in T-bills, 41.63% exposure in PIBs, 28.86% exposure in TFCs and 6.84% of the funds exposure was placed as cash at the end of June'20.

OUTLOOK AND STRATEGY

Declining growth and hostile business environment amid COVID-19 lock down accelerated the rate decline process where MPC ended up reducing the policy rate by 725 bps in just 3 months. Going forward we expect the interest rates to be maintained at the current level of 7.00% for the next 12 to 18 months.

The fund will adopt a strategy of high yield investments as shorter tenor investments carry a significant negative spread. Currently 12M instruments are trading at approximately 75 bps lower than 2 years instrument & 175 bps lower than 5 year instrument. In order to generate alpha during the low interest environment the fund shall continue to take/maintain trading positions in PIBs.

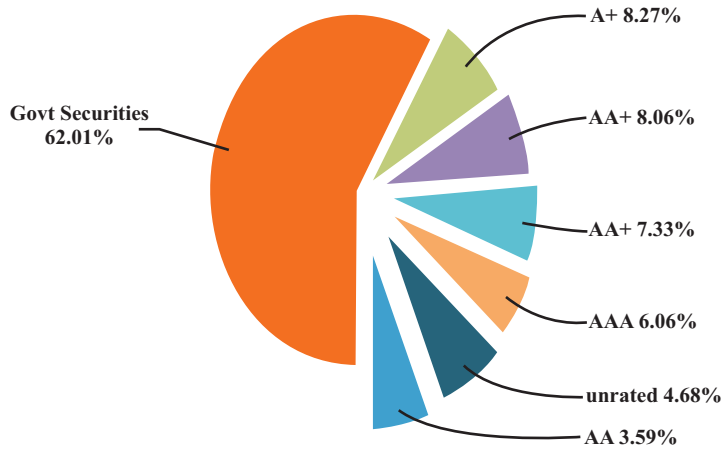


ABL Income Fund Performance

FY-2020

Yield	14.32%
Benchmark 6 Months KIBOR Average	12.23%
Weighted Average Time to Maturity of Net Assets (days)	1108
Asset under management as at June 30,2020 (PKR mn)	1490.94
Closing NAV per unit as on June 30,2020 (PKR) (Ex-Dividend)	10.0810

CREDIT QUALITY OF PORTFOLIO (% OF TOTAL ASSETS)



FUND MANAGER REPORT

	June 2021	June 2020	June 2019	June 2018	June 2017	June 2016																										
------(Rupees per '000)-----																																
Net Assets	2,875,501	4,679,352	2,811,066	3,136,615	3,794,278	9,496,252																										
Net Income	150,850	534,178	199,302	145,639	212,684	313,465																										
------(Rupees per unit)-----																																
Net Assets value	10.0760	10.0363	10.0621	10.5283	10.0180	10.0424																										
Interim distribution*	0.3117	-	-	0.3994	0.0182	0.2599																										
Final distribution	0.1525	1.5734	0.7627	0.0800	0.6657	0.5336																										
Distribution date final	June 29, 2021	June 26, 2020	June 26, 2019	August 1, 2018	June 19, 2017	June 23, 2016																										
Closing offer price	10.2513	10.2109	10.2130	10.6862	10.1683	10.1930																										
Closing repurchase price	10.0760	10.0363	10.0621	10.5283	10.0180	10.0424																										
Highest offer price	10.5372	11.8380	10.9738	10.6862	10.8257	10.9505																										
Lowest offer price	10.1027	10.2109	10.2029	10.1736	10.1558	10.1656																										
Highest repurchase price per unit	10.3570	11.6355	10.8116	10.5283	10.6657	10.7887																										
Lowest repurchase price per unit	9.9299	10.0363	10.0521	10.0233	10.0057	10.0154																										
-----Percentage-----																																
Total return of the fund																																
- capital growth	0.44%	-0.43%	0.10%	0.30%	-0.25%	0.09%																										
- income distribution	4.64%	15.73%	7.63%	4.79%	6.84%	7.94%																										
Average return of the fund																																
First Year	5.08%	15.30%	7.73%	5.09%	6.59%	8.02%																										
Second Year	10.64%	12.16%	6.61%	6.01%	7.57%	12.18%																										
Third Year	10.18%	10.19%	6.89%	7.00%	10.86%	11.93%																										
Fourth Year	9.33%	9.82%	7.59%	9.83%	11.18%	12.95%																										
Fifth Year	9.25%	10.07%	10.02%	10.42%	12.36%	-																										
Sixth Year	9.68%	12.20%	10.64%	11.67%	-	-																										
Seventh Year	11.72%	12.73%	11.88%	-	-	-																										
Eighth Year	12.34%	13.93%	-	-	-	-																										
Nine Year	13.58%	-	-	-	-	-																										
Since Inception	14.18%	14.50%	12.48%	12.25%	12.88%	13.37%																										
Weighted average Portfolio duration in days	1049	1049	452	328	338	234																										
Distribution History*	<table border="1"> <thead> <tr> <th colspan="2">2021</th> </tr> <tr> <th>Date</th> <th>Rate Re. Per Unit</th> </tr> </thead> <tbody> <tr> <td>April 11, 2021</td> <td>0.3117</td> </tr> <tr> <td>June 29, 2021</td> <td>0.1525</td> </tr> </tbody> </table>		2021		Date	Rate Re. Per Unit	April 11, 2021	0.3117	June 29, 2021	0.1525	<table border="1"> <thead> <tr> <th colspan="2">2019</th> </tr> <tr> <th>Date</th> <th>Rate Re. Per Unit</th> </tr> </thead> <tbody> <tr> <td>July 3, 2018</td> <td>0.3994</td> </tr> <tr> <td>August 1, 2018</td> <td>0.0800</td> </tr> <tr> <td>June 26, 2019</td> <td>0.7627</td> </tr> </tbody> </table>		2019		Date	Rate Re. Per Unit	July 3, 2018	0.3994	August 1, 2018	0.0800	June 26, 2019	0.7627	<table border="1"> <thead> <tr> <th colspan="2">2017</th> </tr> <tr> <th>Date</th> <th>Rate Re. Per Unit</th> </tr> </thead> <tbody> <tr> <td>July 28, 2016</td> <td>0.0182</td> </tr> <tr> <td>June 19, 2017</td> <td>0.6657</td> </tr> </tbody> </table>		2017		Date	Rate Re. Per Unit	July 28, 2016	0.0182	June 19, 2017	0.6657
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Disclaimer

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.



**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 GOVERNMENT SECURITIES 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 Government Securities 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 15, 2021



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of ABL Government Securities Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ABL Government Securities 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>Net Asset Value (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. 2,658.279 million and Rs. 3,197.135 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"> ▪ tested the design and operating effectiveness of the key controls for valuation of investments. ▪ 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. ▪ re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies. ▪ obtained bank reconciliation statements and tested reconciling items on a sample basis.

A.F.C.O.

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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- 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 GOVERNMENT SECURITIES FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2021**

	Note	2021 Rupees in '000	2020
Assets			
Bank balances	4	2,658,279	104,152
Investments	5	3,197,135	4,649,633
Interest / profit accrued	6	120,038	78,351
Deposits and other receivables	7	10,906	3,022
Total assets		5,986,358	4,835,158
Liabilities			
Payable to ABL Asset Management Company Limited - Management Company	8	48,138	65,168
Payable to Central Depository Company of Pakistan Limited - Trustee	9	177	297
Payable to the Securities and Exchange Commission of Pakistan	10	676	758
Payable against redemption of units		14,467	2,040
Payable against purchase of investment		3,028,629	-
Accrued expenses and other liabilities	11	18,770	87,543
Total liabilities		3,110,857	155,806
NET ASSETS		2,875,501	4,679,352
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,875,501	4,679,352
CONTINGENCIES AND COMMITMENTS	12		
		----- Number of units -----	
NUMBER OF UNITS IN ISSUE		285,382,298	466,244,702
		----- Rupees -----	
NET ASSET VALUE PER UNIT		10.0760	10.0363

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 GOVERNMENT SECURITIES FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021**

	2021	2020	
Note	----- Rupees in '000 -----		
INCOME			
Interest / profit earned	13	270,295	472,391
Gain / (loss) on sale of investments - net		(73,040)	136,741
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.7	8,988	10,442
		(64,052)	147,183
Total income		206,243	619,574
EXPENSES			
Remuneration of ABL Asset Management Company Limited - Management Company	8.1	39,255	47,357
Punjab Sales Tax on remuneration of the Management Company	8.2	6,281	7,577
Accounting and operational charges	8.4	-	6,877
Selling and marketing expenses	8.5	-	15,135
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	2,198	2,463
Sindh Sales Tax on remuneration of the Trustee	9.2	286	320
Annual fees to the Securities and Exchange Commission of Pakistan	10.1	676	758
Securities transaction cost		4,718	3,473
Auditors' remuneration	14	565	536
Annual rating fee		267	267
Annual listing fee		47	28
Printing charges		61	111
Legal and professional charges		192	90
Settlement and bank charges		847	404
Total operating expenses		55,393	85,396
Net income for the year before taxation		150,850	534,178
Taxation	16	-	-
Net income for the year after taxation		150,850	534,178
Other comprehensive income for the year		-	-
Total comprehensive income for the year		150,850	534,178
Earnings per unit			
Allocation of net income for the year	17		
Net income for the year after taxation		150,850	534,178
Income already paid on units redeemed		(10,480)	(105,649)
		140,370	428,529
Accounting income available for distribution:			
- Relating to capital gains		-	147,183
- Excluding capital gains		140,370	281,346
		140,370	428,529

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 GOVERNMENT SECURITIES FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2021

	2021			2020		
	Capital value	Un-distributed income	Total	Capital value	Un-distributed income	Total
----- (Rupees in '000) -----						
Net assets at beginning of the year	4,672,139	7,213	4,679,352	2,792,010	19,056	2,811,066
Issue of 63,696,415 (2020: 637,700,509) units						
- Capital value (at ex - net asset value per unit)	639,276	-	639,276	6,416,606	-	6,416,606
- Element of income	1,669	-	1,669	487,274	-	487,274
Total proceeds on issuance of units	640,945	-	640,945	6,903,880	-	6,903,880
Redemption of 244,558,819 (2020: 450,828,047) units						
- Capital value (at ex - net asset value per unit)	2,454,466	-	2,454,466	4,536,277	-	4,536,277
- Element of (income) / loss	(3,088)	10,480	7,392	229,945	105,649	335,594
Total payments on redemption of units	2,461,858	10,480	2,461,858	4,766,222	105,649	4,871,871
Total comprehensive income for the year	-	150,850	150,850	-	534,178	534,178
Distribution for the year ended June 30, 2021						
@ Re 0.3117 per unit on April 11, 2021 (2020: Nil)	(610)	(89,994)	(90,604)	-	-	-
@ Re 0.1525 per unit on June 29, 2021 (2020: Re 1.5734 per unit on June 26, 2020)	(1,100)	(42,084)	(43,184)	(257,529)	(440,372)	(697,901)
Total distribution during the year	(1,710)	(132,078)	(133,788)	(257,529)	(440,372)	(697,901)
Net assets at end of the year	2,849,516	15,505	2,875,501	4,672,139	7,213	4,679,352
Undistributed income brought forward						
- Realised (loss) / income		(3,229)			28,253	
- Unrealised income / (loss)		10,442			(9,197)	
		7,213			19,056	
Accounting income available for distribution						
- Relating to capital gains		-			147,183	
- Excluding capital gains		140,370			281,346	
		140,370			428,529	
Distribution during the year		(132,078)			(440,372)	
Undistributed income carried forward		15,505			7,213	
Undistributed income carried forward						
- Realised (loss) / income		6,517			(3,229)	
- Unrealised income / (loss)		8,988			10,442	
		15,505			7,213	
				(Rupees)		(Rupees)
Net assets value per unit at beginning of the year				10.0363		10.0621
Net assets value per unit at end of the year				10.0760		10.0363

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

	2021	2020
Note	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year after taxation	150,850	534,178
Adjustments for:		
Interest / profit earned	13 (270,295)	(472,391)
Unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.7 (8,988)	(10,442)
	(279,283)	(482,833)
Increase in assets		
Deposits and other receivables	(7,884)	(1,532)
(Decrease) / increase in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	(17,030)	6,733
Payable to Central Depository Company of Pakistan Limited - Trustee	(120)	29
Payable to the Securities and Exchange Commission of Pakistan	(82)	(1,293)
Accrued expenses and other liabilities	(68,773)	54,005
	(86,005)	59,474
	(222,322)	109,287
Interest / profit received	228,608	442,985
Net amount received / (paid) on purchase and sale of investments	4,366,817	(5,962,790)
Net cash generated from / (used in) operating activities	4,373,103	(5,410,518)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units - net of refund of element	639,235	6,646,351
Net payments against redemption of units	(2,449,431)	(4,870,691)
Cash pay-out against distribution	(132,078)	(440,372)
Net cash (used in) / generated from financing activities	(1,942,274)	1,335,288
Net increase / (decrease) in cash and cash equivalents	2,430,829	(4,075,230)
Cash and cash equivalents at the beginning of the year	227,450	4,302,680
Cash and cash equivalents at the end of the year	2,658,279	227,450

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 GOVERNMENT SECURITIES FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

AS AT JUNE 30, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Government Securities Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on November 01, 2011 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 not been revised. Furthermore, the offering document of the Fund has been revised through the First, Second, Third, Fourth, Fifth, Sixth and Seventh Supplements dated January 12, 2012, May 31, 2012, July 30, 2013, February 10, 2014, October 1, 2014, October 6, 2016 and June 24, 2021 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 / ABLAMC / 439 / 2011 dated October 31, 2011 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 an open ended income 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 November 29, 2011 and are transferable and redeemable by surrendering them to the Fund.

1.3 The objective of the scheme is to deliver optimal risk adjusted returns by investing mainly in mix of short to long term government securities and other debt instruments. 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 the 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 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 accounting and reporting 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 amendments to published accounting and reporting standards would be effective from the dates mentioned below against the respective amendments:

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, 2021 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 judgements 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 3.3 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

3.1 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.

3.2 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.

3.3 Financial assets

3.3.1 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.

3.3.2 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.

3.3.3 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.

3.3.4 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.

3.3.5 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.

3.3.6 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.

3.4 Financial liabilities

3.4.1 Classification and subsequent measurement

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.

3.4.2 Derecognition

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.

3.5 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.6 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.



3.7 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.

3.8 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.

3.9 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 includes 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 year in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.10 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.

3.11 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Income from investments in term finance certificates / sukuk and 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 year in which these arise.
- Interest income on bank balances and commercial paper is recognised on an accrual basis.

3.12 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

3.13 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I to the Second Schedule of 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 amongst 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 of the Income Tax Ordinance, 2001.

3.14 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.



3.15 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.

4	BANK BALANCES	Note	2021	2020
----- Rupees in '000 -----				
Balances with banks in:				
	Savings accounts	4.1	2,658,247	104,139
	Current accounts	4.2	32	13
			2,658,279	104,152

4.1 These include balances of Rs 30.734 million (2020: Rs 95.680 million) maintained with Allied Bank Limited (a related party) that carries profit at 5.00% per annum (2020: 9.00%). Other saving accounts of the Fund carry profit rates ranging from 6.35% to 7.50% per annum (2020: 5.00% to 7.80% per annum).

4.2 This represents balance maintained with Allied Bank Limited (a related party).

5	INVESTMENTS	Note	2021	2020
----- Rupees in '000 -----				
At fair value through profit or loss				
	Term finance certificates	5.1	222,768	275,432
	Corporate sukuk certificates	5.2	103,171	422,541
	GOP Ijarah sukuks	5.3	-	-
	Government securities - Market Treasury Bills	5.4	378	1,222,971
	Government securities - Pakistan Investment Bonds	5.5	2,870,818	2,434,879
	Commercial papers	5.6	-	293,810
			3,197,135	4,649,633

5.1 Term Finance Certificates

Name of the security	Profit payments/principal redemptions	Maturity date	Profit rate	As at July 1, 2020	Purchases during the year	Sales / redemptions 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)	Percentage in relation to	
				Number of certificates			(Rupees in '000)			Net assets of the Fund	Total market value of investment	%
COMMERCIAL BANKS												
The Bank of Punjab (AA-, PACRA, non-traded) (Face value of 99,820 per certificate)	Se mi-annually	December 23, 2026	6 months KIBOR plus base rate of 1.00%	2,060	1,750	2,460	1,350	134,820	136,104	1,284	4.73%	4.26%
INVESTMENT COMPANIES												
Jahangir Siddiqui & Company Limited - TFC IX (AA+, PACRA, non-traded)	Se mi-annually	June 24, 2021	6 months KIBOR plus base rate of 1.65%	2,950	-	-	2,950	-	-	-	-	-
Jahangir Siddiqui & Company Limited - TFC XI (AA+, PACRA, non-traded) (Face value of Rs 4,000 per certificate)	Semi-annually	September 6, 2023	6 months KIBOR plus base rate of 1.40%	-	3,000	-	3,000	11,864	11,923	59	0.41%	0.37%
Jahangir Siddiqui & Company Limited - TFC X (AA+, PACRA, non-traded) (Face value of Rs 2,375 per certificate)	Se mi-annually	July 18, 2023	6 months KIBOR plus base rate of 1.40%	22,900	20,000	20,000	22,900	54,193	54,597	404	1.90%	1.71%
Bank Al Habib Limited (AA, PACRA, non-traded) (Face value of Rs 4,995 per certificate)	Semi-annually	December 6, 2028	6 months KIBOR plus base rate of 1.00%	-	30,000	26,000	4,000	20,030	20,144	114	0.70%	0.63%
Total as at June 30, 2021								220,907	222,768	1,861	7.74%	6.97%
Total as at June 30, 2020								278,768	275,432	(3,336)	5.88%	5.92%



5.2 Corporate Sukuk Certificates

Name of the security	Profit payments/ principal redemptions	Maturity date	Profit rate	As at	Purchases	Sales /	As at	Carrying	Market	Unrealised appreciation / (diminution)	Percentage in relation to	
				July 1, 2020	during the year	redemptions during the year	June 30, 2021	value as at June 30, 2021	value as at June 30, 2021		Net assets of the Fund	Total market value of investment
				Number of certificates			(Rupees in '000)			----- % -----		

POWER GENERATION AND DISTRIBUTION

The Hub Power Company Limited (AA+, PACRA, non-traded) (Face value of Rs 100,000 per certificate)	Quarterly / Semi- annually	August 22, 2023	3 months KIBOR plus base rate of 1.90%	250	-	-	250	25,536	25,499	(37)	0.89%	0.80%
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Pakistan Energy Sukuk-II (AAA, PACRA) (Face value of Rs 5,000 per certificate)	Semi- annually / At maturity	May 21, 2030	6 months KIBOR minus base rate of 0.10%	60,000	-	60,000	-	-	-	-	-	-
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FERTILIZER

Dawood Hercules Corporation Limited I (AA, PACRA)	Quarterly / Semi- annually	November 16, 2022	3 months KIBOR plus base rate of 1.00%	773	-	773	-	-	-	-	-	-
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Dawood Hercules Corporation Limited II (AA, PACRA)	Quarterly / Semi- annually	March 1, 2023	3 months KIBOR plus base rate of 1.00%	520	-	520	-	-	-	-	-	-
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Meezan Bank Limited Sukuk II (AA, VIS, non-traded) (Face value of Rs 1,000,000 per certificate)	Semi- annually / At maturity	September 22, 2026	6 months KIBOR plus base rate of 0.50%	-	75	-	75	76,875	77,672	797	2.70%	2.43%
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Total as at June 30, 2021 102,411 103,171 760 3.59% 3.23%

Total as at June 30, 2020 420,540 422,541 2,001 9.04% 9.09%

5.3 GOP Ijarah sukuks

Name of the security	Profit payments	Maturity date	Profit rate	As at	Purchases	Sales /	As at	Carrying	Market	Unrealised appreciation / (diminution)	Percentage in relation to	
				July 1, 2020	during the year	redemptions during the year	June 30, 2021	value as at June 30, 2021	value as at June 30, 2021		Net assets of the Fund	Total market value of investment
				Number of certificates			(Rupees in '000)			----- % -----		

GoP Ijarah Sukuk Certificates - XX IVRR (note 5.3.1)	Semi- annually	July 29, 2025	Weighted average 6 months T-Bills	-	175,000	175,000	-	-	-	-	-	-
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GoP Ijarah Sukuk Certificates - XX I FRR (note 5.3.1)	Semi- annually	July 29, 2025	Weighted average 6 months T-Bills	-	37,500	37,500	-	-	-	-	-	-
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Total as at June 30, 2021 - - - - -

Total as at June 30, 2020 - - - - -

5.3.1 The nominal value of these sukuk certificates is Rs 5,000 each.



5.4 Government securities - Market Treasury Bills

Tenor	Face value (Rupees in '000)				Rupees in '000			Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2020	Purchased during the year	Disposed of / 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)		
3 Months	125,000	34,411,000	34,536,000	-	-	-	-	-	-
6 Months	675,000	9,527,380	10,202,000	380	378	378	-	0.01%	0.01%
12 Months	462,340	5,060,000	5,522,340	-	-	-	-	-	-
Total as at June 30, 2021	1,262,340	48,998,380	50,260,340	380	378	378	-	0.01%	0.01%
Total as at June 30, 2020					1,211,718	1,222,971	11,253	26.14%	26.30%

5.4.1 This carries purchase yield of 7.30% (2020: 7.18% to 13.00%) per annum and is due to mature on July 29, 2021.

5.5 Government Securities - Pakistan Investment Bonds

Issue date	Tenor	Face value (Rupees in '000)				Rupees in '000			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2020	Purchased during the year	Disposed of / 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)		
May 11, 2020	2 years	-	75,000	75,000	-	-	-	-	-	-
July 12, 2018	3 years	10,000	3,000,000	1,000,000	2,010,000	2,010,231	2,009,945	(286)	69.90%	62.87%
September 19, 2019	3 years	20,000	6,140,000	6,160,000	-	-	-	-	-	-
August 20, 2020	3 years	-	5,150,000	5,150,000	-	-	-	-	-	-
December 29, 2016	5 years	-	-	-	-	-	-	-	-	-
July 12, 2018	5 years	400,000	2,826,500	3,136,500	90,000	88,772	88,987	215	3.09%	2.78%
September 19, 2019	5 years	1,900,000	12,250,100	14,139,000	11,100	11,247	11,231	(16)	0.39%	0.35%
October 15, 2020	5 years	-	4,250,000	4,250,000	-	-	-	-	-	-
July 12, 2018	10 years	-	800,000	-	800,000	754,201	760,655	6,454	26.45%	23.79%
Total as at June 30, 2021						2,864,451	2,870,818	6,367	99.83%	89.79%
Total as at June 30, 2020						2,434,355	2,434,879	524	52.03%	52.37%

5.5.1 These carry purchase yield ranging from 7.20% to 12.35% (2020: 7.65% to 12.35%) per annum and will mature latest by July 12, 2028.

5.6 Commercial Papers

Name of Investee Company	Face value (Rupees in '000)				Rupees in '000			Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2020	Purchased during the year	Disposed of / 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)		
K-Electric ICP-5 (A-1+, PACRA)	150,000	-	150,000	-	-	-	-	-	-
K-Electric ICP-6 (A-1+, PACRA)	148,000	-	148,000	-	-	-	-	-	-
K-Electric ICP-13 (A-1+, VIS)	-	600,000	600,000	-	-	-	-	-	-
Total as at June 30, 2021									
Total as at June 30, 2020					293,810	293,810	-	6.28%	6.32%



5.7 Unrealised appreciation / (diminution) 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	3,197,135	4,649,633
Carrying value of investments	5.1, 5.2, 5.3 5.4, 5.5 & 5.6	(3,188,147)	(4,639,191)
		<u>8,988</u>	<u>10,442</u>

6 INTEREST / PROFIT ACCRUED

Interest / profit accrued on:

Bank balances		7,419	2,252
Term finance certificates and sukuk certificates		5,177	9,206
Government securities - Pakistan Investment Bonds		<u>107,442</u>	<u>66,893</u>
		<u>120,038</u>	<u>78,351</u>

7 DEPOSITS AND OTHER RECEIVABLES

Security deposit with Central Depository Company of

Pakistan Limited *		100	100
Advance tax	7.1	10,788	2,853
Balance in IPS account *		18	69
		<u>10,906</u>	<u>3,022</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 profit on debt paid 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 withholders. The tax withheld on profit on debt securities and profit on bank balances amounts to Rs 10.788 million (2020: Rs 2.853 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 profit on debt securities and profit on bank balances amounts have been shown as other receivables as at June 30, 2021 as, in the opinion of the management, the amount of tax deducted at source will likely be refunded.

8 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - RELATED PARTY

	Note	2021	2020
		----- Rupees in '000 -----	
Management fee payable	8.1	-	5,066
Punjab Sales Tax payable on remuneration of the Management Company	8.2	-	810
Federal Excise Duty payable on remuneration of the Management Company	8.3	48,138	48,138
Accounting and operational charges payable	8.4	-	2,222
Sales load payable		-	43
Selling and marketing expenses payable	8.5	-	8,889
		<u>48,138</u>	<u>65,168</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 at the rate of 1.25% (2020: 1.25%) per annum of the average net assets of the Fund during the year ended June 30, 2021. The remuneration is payable to the Management Company monthly in arrears.



8.2 During the year, an amount of Rs. 6.281 million (2020: Rs 7.577 million) was charged on account of sales tax on management fee levied through 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 48.138 million is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund as at June 30, 2021 would have been higher by Re 0.169 (2020: Re 0.103) 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 based on its own discretion has not charged such expenses to the Fund (2020: 0.1% of average annual net assets) during the current year.

8.5 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

The SECP through its circular 11 dated July 5, 2019 had revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum had been lifted and the asset management company was required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board of Directors of the Management Company as part of annual plan. Furthermore, the time limit of three years had also been removed in the revised conditions.

The Management Company has not charged any expense to the Fund during the year ended June 30, 2021 (2020: 0.40% of the average annual net assets). This has also been approved by the Board of Directors of the Management Company.

	Note	2021	2020
9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY	----- Rupees in '000 -----	
Trustee fee payable	9.1	157	263
Sindh Sales Tax payable on trustee fee	9.2	20	34
		<u>177</u>	<u>297</u>

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 0.286 million (2020: Rs 0.320 million) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2020: 13%).

	Note	2021	2020
10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	----- Rupees in '000 -----	
Annual fee payable	10.1	<u>676</u>	<u>758</u>

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 annual net assets of the Fund.



11 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2021	2020
		----- Rupees in '000 -----	
Auditors' remuneration payable		413	340
Printing charges payable		77	102
Brokerage fee payable		364	1,555
Legal and professional charges payable		57	-
Withholding tax payable		6,548	67,284
Capital gain tax payable		41	6,342
Provision for Sindh Workers' Welfare Fund	11.1	10,609	10,609
Other payables		661	1,311
		<u>18,770</u>	<u>87,543</u>

11.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh 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, 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 10.609 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. 0.037 (2020: Re 0.023) 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	2021	2020	
		----- Rupees in '000 -----	
Interest / profit on:			
Savings accounts	42,510	149,014	
Term finance certificates, Sukuk certificates and Commercial papers	32,546	81,334	
Government Securities - Market Treasury Bills and Pakistan Investment Bonds	192,961	242,043	
Letter of placements	2,278	-	
	<u>270,295</u>	<u>472,391</u>	

14 AUDITORS' REMUNERATION

Annual audit fee	300	297
Half yearly review of condensed interim financial information	125	125
Fee for other certifications	80	40
Out of pocket expenses	60	74
	<u>565</u>	<u>536</u>



15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2021 is 1.64% (2020: 2.25%) which includes 0.23% (2020: 0.23%) 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 an income 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 Limited 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 Trust Deed.

18.5 Accounting and operational charges and selling and marketing 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 -----	
ABL Asset Management Company Limited - Management Company		
Remuneration of the Management Company	39,255	47,357
Punjab Sales Tax on remuneration of the Management Company	6,281	7,577
Accounting and operational charges	-	6,877
Selling and marketing charges	-	15,135
Sales load paid	3,257	3,353
Issue of 10,017,957 (2020: 19,214,157) units	100,132	197,423
Redemption of 14,163,567 (2020: 48,362,462) units	142,552	500,000
Outstanding Nil (2020: 4,145,610) units	-	41,607
Central Depository Company of Pakistan Limited		
Remuneration of the Trustee	2,198	2,463
Sindh Sales Tax on remuneration of the Trustee	286	320
Security deposit with Central Depository Company of Pakistan Limited	100	100
Balance in IPS account	18	69



	2021	2020
	----- Rupees in '000 -----	
Allied Bank Limited		
Mark-up income on bank deposits	11,365	44,152
Bank charges	414	314
Interest accrued on bank deposits	106	1,334
English Biscuit Manufacturers Private Limited		
Issue of 5,061,928 (2020: 49,455,672) units	50,853	513,020
Redemption of 19,666,650 (2020: NIL) units	200,000	-
Outstanding 119,576,416 (2020: 134,181,138) units	1,204,852	1,346,682
Coronet Foods Private Limited		
Issue of 2,212,161 (2020: 21,151,831) units	22,224	218,375
Outstanding 58,053,198 (2020: 55,841,037) units	584,944	560,437
ABL Financial Planning Fund - Conservative Allocation Plan		
Issue of 89,790 (2020: 291,591) units	902	2,934
Redemption of 730,401 (2020: 414,631) units	7,365	4,670
Outstanding 1,515,740 (2020: 2,156,351) units	15,273	21,642
ABL Financial Planning Fund - Active Allocation Plan		
Issue of Nil (2020: 1,920,344) units	-	20,000
Redemption of Nil (2020: 14,626,127) units	-	155,452
ABL Financial Planning Fund - Strategic Allocation Plan		
Issue of Nil (2020: 3,168,568) units	-	33,000
Redemption of Nil (2020: 3,168,568) units	-	34,056
Chief Executive Officer		
Issue of 223 (2020: 1,362,910) units	2	14,568
Redemption of 511,885 (2020: 851,248) units	5,118	8,900
Outstanding Nil (2020: 511,662) units	-	5,135

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	2,658,279	104,152
Market Treasury Bills (with original maturity of three months)	5.4	-	123,298
		<u>2,658,279</u>	<u>227,450</u>

20 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

Bank balances
Investments
Interest / profit accrued
Deposit and other receivable

2021		
At amortised cost	At fair value through profit or loss	Total
----- Rupees in '000 -----		
2,658,279	-	2,658,279
-	3,197,135	3,197,135
120,038	-	120,038
118	-	118
<u>2,778,435</u>	<u>3,197,135</u>	<u>5,975,570</u>



	2021	
	At amortised cost	Total
	----- Rupees in '000-----	
Financial liabilities		
Payable to ABL Asset Management Company Limited - Management Company	48,138	48,138
Payable to Central Depository Company of Pakistan Limited - Trustee	177	177
Payable against redemption of units	14,467	14,467
Payable against purchase of investments	3,028,629	3,028,629
Accrued expenses and other liabilities	1,572	1,572
	3,092,983	3,092,983

	2020		
	At amortised cost	At fair value through profit or loss	Total
	----- Rupees in '000-----		
Financial assets			
Bank balances	104,152	-	104,152
Investments	-	4,649,633	4,649,633
Interest / profit accrued	78,351	-	78,351
Deposit and other receivable	169	-	169
	182,672	4,649,633	4,832,305

	2020	
	At amortised cost	Total
	----- Rupees in '000-----	
Financial liabilities		
Payable to ABL Asset Management Company Limited - Management Company	65,168	65,168
Payable to Central Depository Company of Pakistan Limited - Trustee	297	297
Payable against redemption of units	2,040	2,040
Accrued expenses and other liabilities	3,308	3,308
	70,813	70,813

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 its balances held with banks, investments in term finance and sukuk certificates, market treasury bills and Pakistan investment bonds. 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 KIBOR based term finance and sukuk certificates and 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 29.842 million (2020: Rs. 8.021 million).

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

As at June 30, 2021, the Fund holds market treasury bills and Pakistan investment bonds 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 Pakistan investment bonds and with all other variables held constant, the net income / loss for the year and net assets of the Fund would have been lower / higher by Rs 28.712 million (2020: Rs. 39.517 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 and for off-balance sheet instruments is based on the settlement date.

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

Effective interest rate (%)	2021				Total
	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	
	Up to three months	More than three months and up to one year	More than one year		

(Rupees in '000)

Financial assets

Bank balances	5.00% - 7.50%	2,658,247	-	-	32	2,658,279
Investments	7.20% - 12.35%	3,040,887	156,248	-	-	3,197,135
Interest / profit accrued		-	-	-	120,038	120,038
Deposits		-	-	-	118	118
		5,699,134	156,248	-	120,188	5,975,570

Financial liabilities

Payable to ABL Asset Management Company Limited - Management Company		-	-	-	48,138	48,138
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	177	177
Payable against redemption of units		-	-	-	14,467	14,467
Payable against purchase of investments		-	-	-	3,028,629	3,028,629
Accrued expenses and other liabilities		-	-	-	1,572	1,572
		-	-	-	3,092,983	3,092,983

On-balance sheet gap

	5,699,134	156,248	-	(2,972,795)	2,882,587
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Total interest rate sensitivity gap

	5,699,134	156,248	-		
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Cumulative interest rate sensitivity gap

	5,699,134	5,855,382	5,855,382		
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----- 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) -----

Financial assets

Bank balances	7.80% - 9.00%	104,139	-	-	13	104,152
Investments	7.18% - 14.89%	417,108	1,797,646	2,434,879	-	4,649,633
Interest / profit accrued		-	-	-	78,351	78,351
Deposits		-	-	-	169	169
		521,247	1,797,646	2,434,879	78,533	4,832,305

Financial liabilities

Payable to ABL Asset Management Company Limited - Management Company		-	-	-	65,168	65,168
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	297	297
Payable against redemption of units		-	-	-	2,040	2,040
Accrued expenses and other liabilities		-	-	-	3,308	3,308
		-	-	-	70,813	70,813

On-balance sheet gap

521,247 1,797,646 2,434,879 7,720 4,761,492

Total interest rate sensitivity gap

521,247 1,797,646 2,434,879

Cumulative interest rate sensitivity gap

521,247 2,318,893 4,753,772

(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 summarizes 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

Financial assets

Bank balances	2,658,279	-	-	-	-	-	2,658,279
Investments	2,013,197	1,988	20,406	235,171	926,373	-	3,197,135
Interest / profit accrued	120,038	-	-	-	-	-	120,038
Deposits	18	-	-	-	-	100	118
	4,791,532	1,988	20,406	235,171	926,373	100	5,975,570

Financial liabilities

Payable to ABL Asset Management Company Limited - Management Company	48,138	-	-	-	-	-	48,138
Payable to Central Depository Company of Pakistan Limited - Trustee	177	-	-	-	-	-	177
Payable against redemption of units	14,467	-	-	-	-	-	14,467
Payable against purchase of investments	3,028,629	-	-	-	-	-	3,028,629
Accrued expenses and other liabilities	1,159	413	-	-	-	-	1,572
	3,092,570	413	-	-	-	-	3,092,983

Net financial assets

	1,698,962	1,575	20,406	235,171	926,373	100	2,882,587
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----- 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

Financial assets

Bank balances	104,152	-	-	-	-	-	104,152
Investments	-	417,108	1,099,673	2,631,006	501,846	-	4,649,633
Interest / profit accrued	78,351	-	-	-	-	-	78,351
Deposits	69	-	-	-	-	100	169
	182,572	417,108	1,099,673	2,631,006	501,846	100	4,832,305

Financial liabilities

Payable to ABL Asset Management Company Limited - Management Company	65,168	-	-	-	-	-	65,168
Payable to Central Depository Company of Pakistan Limited - Trustee	297	-	-	-	-	-	297
Payable against redemption	2,040	-	-	-	-	-	2,040
Accrued expenses and other liabilities	2,968	340	-	-	-	-	3,308
	70,473	340	-	-	-	-	70,813

Net financial assets

	112,099	416,768	1,099,673	2,631,006	501,846	100	4,761,492
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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	2,658,279	2,658,279	104,152	104,152
Investments in government securities	2,871,196	-	3,657,850	-
Investments in debt instruments	325,939	325,939	991,783	991,783
Interest / profit accrued	120,038	12,596	78,351	11,458
Deposits and other receivables	118	118	169	169
	<u>5,975,570</u>	<u>2,996,932</u>	<u>4,832,305</u>	<u>1,107,562</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2021 is the carrying amount of the financial assets. Investment in government securities and their accrued profit, however, are not exposed to credit risk and have been excluded from the above analysis as these are guaranteed by the Government of Pakistan.

21.3.2 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 and mark-up accrued thereon and investments in term finance, sukuk certificates and commercial paper. The credit rating profile of balances with banks and investment in debt securities is as follows:

Rating	% of financial assets exposed to credit risk	
	2021	2020
Bank Balances		
AAA	0.55%	2.07%
AA+	0.06%	0.12%
AA	-	0.01%
AA-	43.98%	0.01%
Term Finance Certificates		
AA+	1.11%	1.62%
AA-	2.28%	4.19%
AA	0.34%	-
Sukuk Certificates		
AAA	-	6.27%
AA+	0.43%	0.53%
AA	1.30%	2.03%
Commercial Paper		
A-1+	-	6.08%
	<u>50.05%</u>	<u>22.93%</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			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
At fair value through profit or loss				
Term finance certificates	-	222,768	-	222,768
Sukuk certificates	-	103,171	-	103,171
Government securities - Market Treasury Bills	-	378	-	378
Government securities - Pakistan Investment Bonds	-	2,870,818	-	2,870,818
	-	3,197,135	-	3,197,135
	2020			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
At fair value through profit or loss				
Term finance certificates	-	275,432	-	275,432
Sukuk certificates	-	422,541	-	422,541
Commercial papers *	-	293,810	-	293,810
Government securities - Market Treasury Bills	-	1,222,971	-	1,222,971
Government securities - Pakistan Investment Bonds	-	2,434,879	-	2,434,879
	-	4,649,633	-	4,649,633

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

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 on 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	1,462	667,280	23.21%	1,745	1,833,681	39.19%
Associated companies	1	15,273	0.53%	2	63,249	1.35%
Insurance companies	-	-	-	1	9,964	0.21%
Retirement funds	15	236,501	8.22%	22	337,656	7.22%
Public limited companies	22	1,943,495	67.59%	23	2,364,068	50.52%
Others	12	12,952	0.45%	15	70,734	1.51%
	<u>1,512</u>	<u>2,875,501</u>	<u>100.00%</u>	<u>1,808</u>	<u>4,679,352</u>	<u>100.00%</u>

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
Continental Exchange (Private) Limited	30.98%	Invest One Markets Limited	28.66%
Invest One Markets Limited	16.79%	Optimus Capital Management (Private) Limited	26.83%
Optimus Capital Management (Private) Limited	13.30%	Paramount Capital (Private) Limited	11.43%
Paramount Capital (Private) Limited	9.82%	JS Global Capital Limited	5.15%
Next Capital Limited	7.01%	KASB Securities Limited	4.01%
Icon Securities (Private) Limited	4.60%	Icon Securities (Private) Limited	3.41%
JS Global Capital Limited	2.96%	Magenta Capital (Private) Limited	3.17%
Vector Capital (Private) Limited	2.92%	Vector Capital (Private) Limited	2.83%
C&M Management (Private) Limited	2.37%	Pearl Securities Limited	2.77%
KASB Securities Limited	2.29%	Next Capital Limited	2.74%

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 Cash 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 Hasan 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	4	4	-	-
	Other persons				
10	Saqib Matin ****	4	4	-	-

* Tahir Hasan 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 upgraded the stability rating of the Fund to "AA-(f)" (2020: "A+(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.

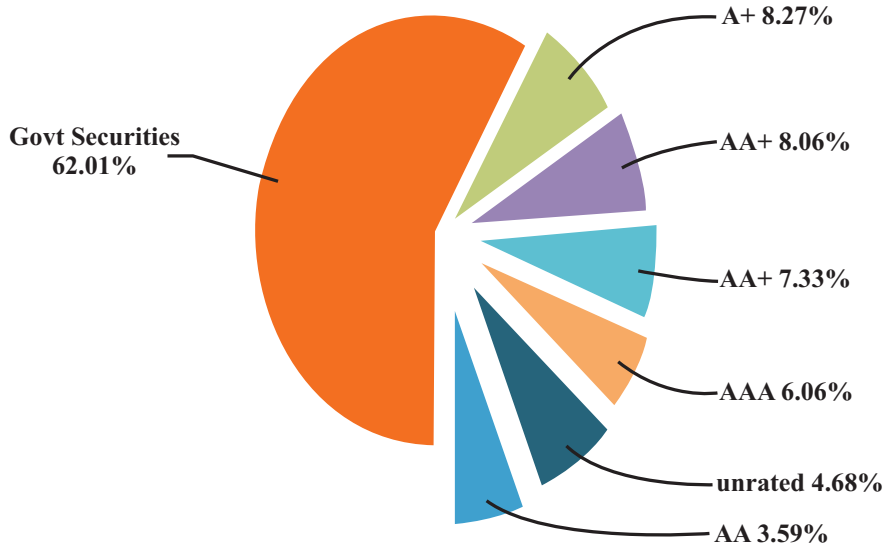
For ABL Asset Management Company Limited
(Management Company)


Saqib Matin
Chief Financial Officer


Alee Khalid Ghaznavi
Chief Executive Officer


Pervaiz Iqbal Butt
Director





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

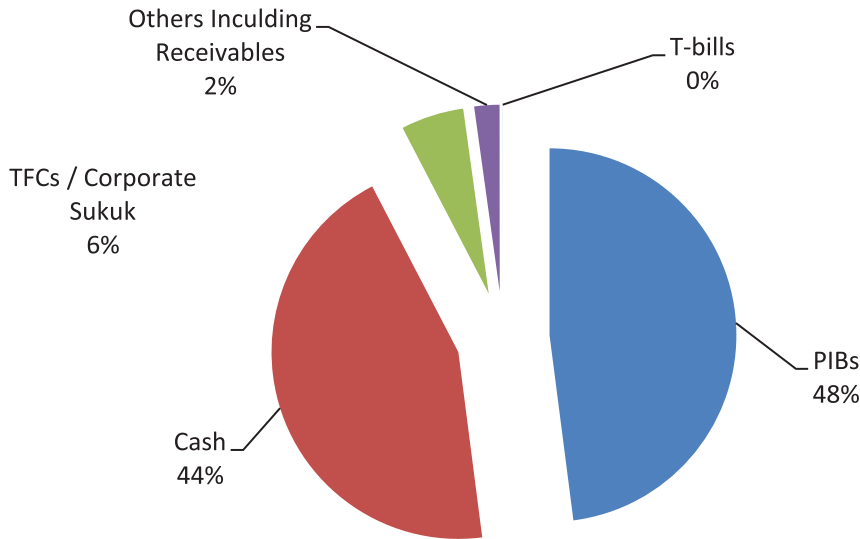
علی خالد غزنوی
چیف ایگزیکٹو آفیسر



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 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 گورنمنٹ سیکیورٹیز فنڈ کی کارکردگی
5.08%	پیداوار
7.28%	بنچ مارک 6 مہینے اوسط KIBOR
904.6	نیٹ اثاثوں کی میعاد ختم ہونے کا اوسط وزن (دن)
2,875.5	اثاثہ زیر انتظام 30 جون 2020 تک (PKR MN)
10.0760	30 جون 2021 (PKR) کے مطابق فی یونٹ NAV (EX Dividend)

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 (اسٹیٹشمنٹ 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. فنڈز 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 # 11 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 ، 2020 کو بونٹ ہولڈنگز کا پیٹرن مالیاتی گوشوارے کے نوٹ نمبر 24 میں دیا گیا ہے۔

آڈیٹر

میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹ) کو ، اے بی ایل گورنمنٹ سیکیورٹیز فنڈ (اے بی ایل جی ایس 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 گورنمنٹ سیکیورٹیز فنڈ کی فنڈ استحکام کی درجہ بندی کو (A + f) ' (سنگل A Plus f) سے (Double A Minus (f) (AA- (f) میں اپ گریڈ کیا 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 کردی ہے۔ (اے ایم ٹو پلس پلس) نفویض 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 کوویڈ 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۔



اے بی ایل گورنمنٹ سیکیورٹیز فنڈ کا مقصد بنیادی طور پر قابل سے طویل مدتی گورنمنٹ سیکیورٹیز اور قرض کے دوسرے آلات کے مرکب میں سرمایہ کاری کر کے زیادہ سے زیادہ رسک ایڈجسٹ ریٹرن کی فراہمی ہے۔

فکسڈ انکم مارکیٹ 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

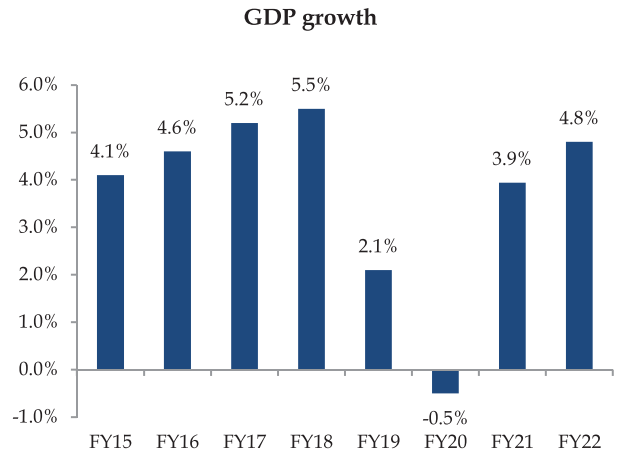
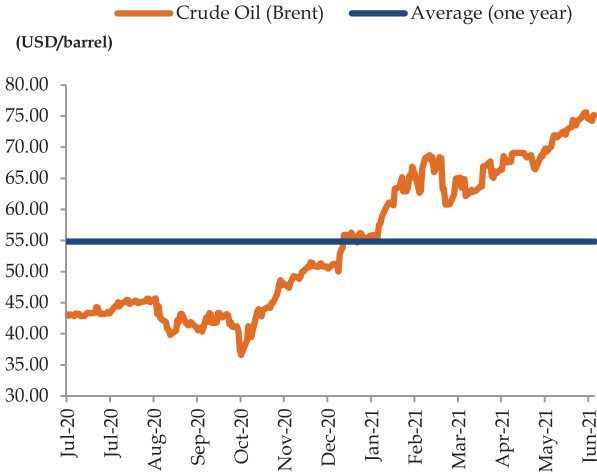
مالی سال 20 کے اختتام پذیر سال کے لئے ، اے بی ایل جی ایس ایف کی سالانہ ریٹرن 7.28% کے بینچ مارک ریٹرن کے مقابلے میں 5.08 فیصد رہی ، جس نے بینچ مارک سے 220 بی پی ایس کم کارکردگی کا مظاہرہ کیا۔

مالی سال 21 کے اختتام پر ، پی آئی بی میں فنڈ کی 47.96 فیصد نمائش ، کارپوریٹ سکوک میں 5.44 فیصد نمائش اور فنڈ کی نمائش کا 44.41 فیصد نقد جگہ کے طور پر رکھا گیا تھا۔ اے بی ایل جی ایس ایف کی اے یو ایمز 30 جون 2020 کو 4.679 ارب روپے کے مقابلے میں 30 جون ، 2021 تک 2.875 بلین روپے تک بند ہو 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 2020 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% YoY LSM) 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 فیکسڈ 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 فیکسڈ 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۔

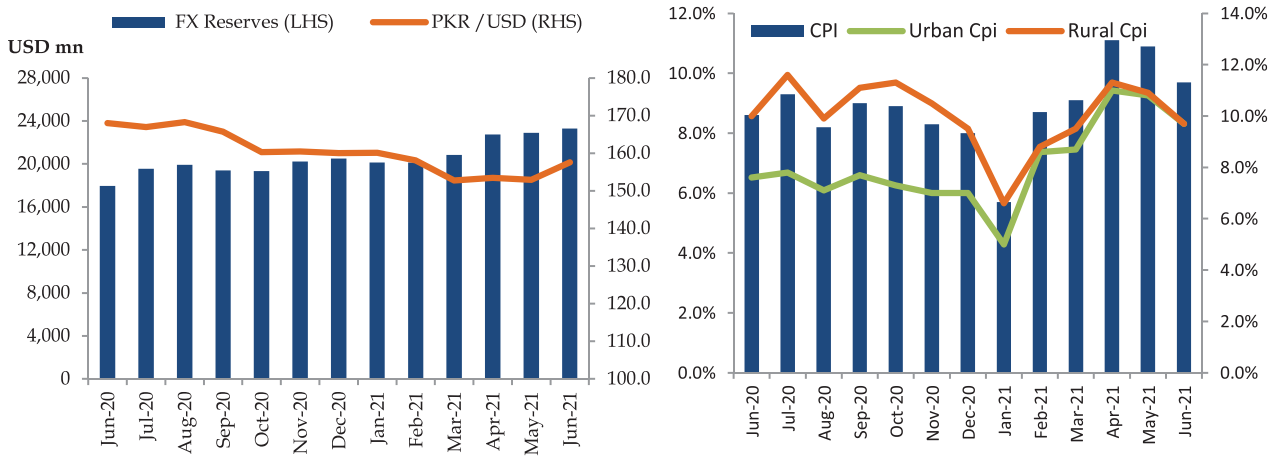


مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل گورنمنٹ سیکیورٹیز فنڈ (اے بی ایل-جی ایس ایف) کی انتظامی 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 گورنمنٹ سیکیورٹیز فنڈ کے آڈٹ شدہ فنانشل اسٹیٹمنٹ پیش کرنے پر خوش 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 ایشیائی خوردونوش 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۔



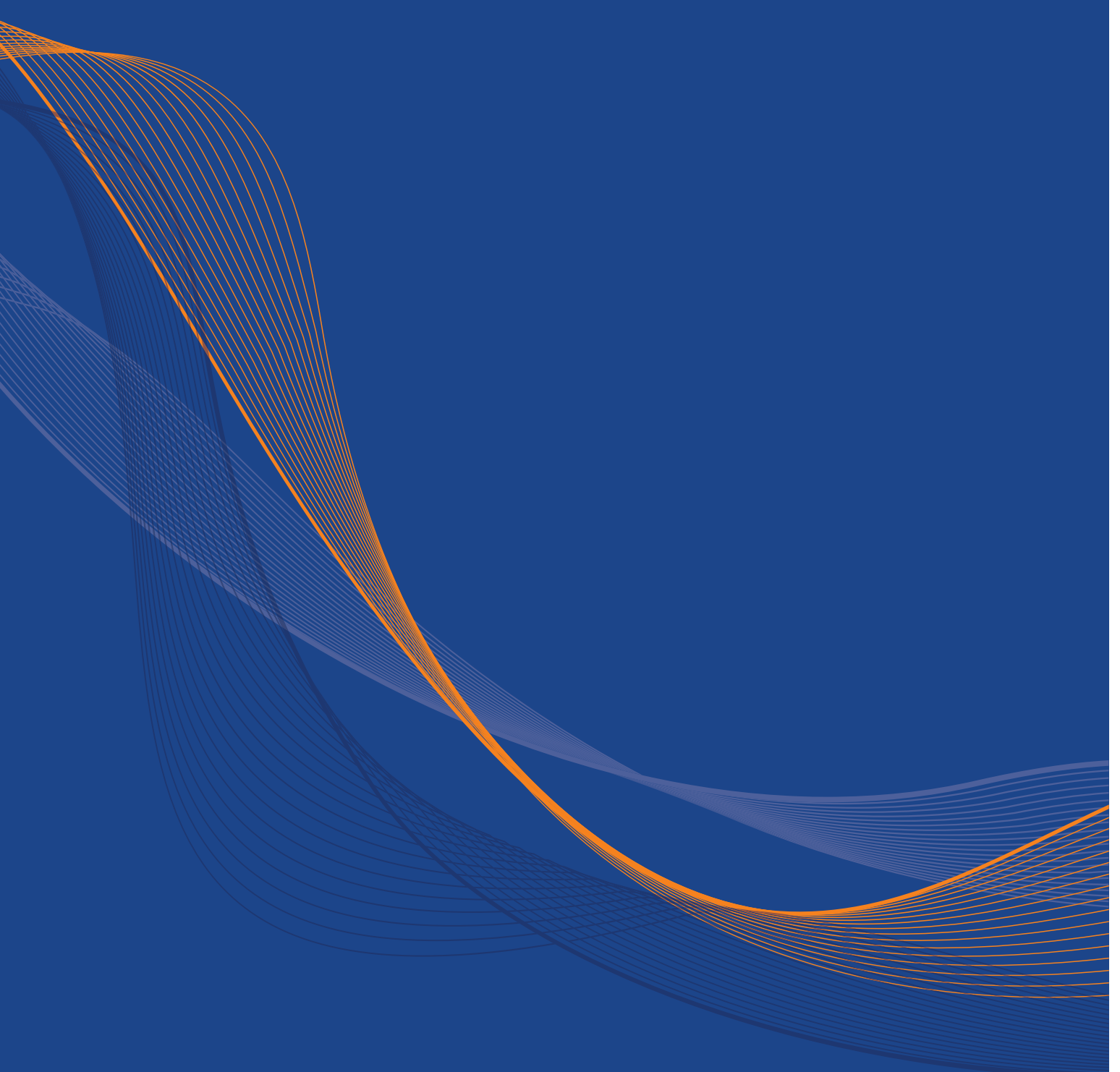
کرنٹ اکاؤنٹ خسارہ (CAD) میں کمی بی او پی کی مستحکم پوزیشن کی راہ ہموار کرتی ہے۔ 11MFY20 کے دوران YoY 74 سے کم ہو کر 3.28 بلین امریکی ڈالر رہ گیا۔ درآمدات 20 فیصد کم ہو کر 46.63 بلین ڈالر رہ گئیں جبکہ عالمی لاک ڈاؤن کے باوجود صرف 7 فیصد YoY کی وجہ سے 11MFY20 کے دوران 25.99bn ڈالر رہ گئی۔ تاہم ، کارکنوں 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 ہوسکتا 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 فرانس آئل 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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