



ABL Income Fund

Annual Report

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022



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

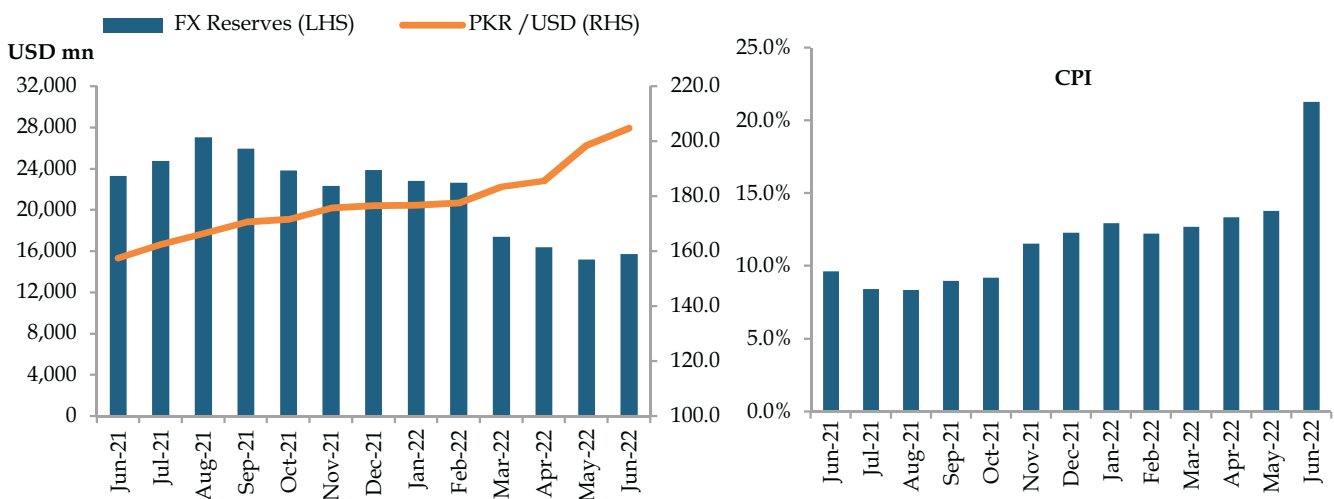
| | | |
|--|---|--|
| Management Company: | ABL Asset Management Company Limited Plot / Building # 14 -Main Boulevard, DHA Phase - VI, Lahore - 54810 | |
| Board of Directors: | Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Aizid Razzaq Gill Ms. Saira Shahid Hussain Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad | Chairman Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent 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 | |
| Auditors: | 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 Income Fund (ABL-IF), is pleased to present the Audited Financial Statements of ABL Income Fund for the year ended on June 30, 2022.

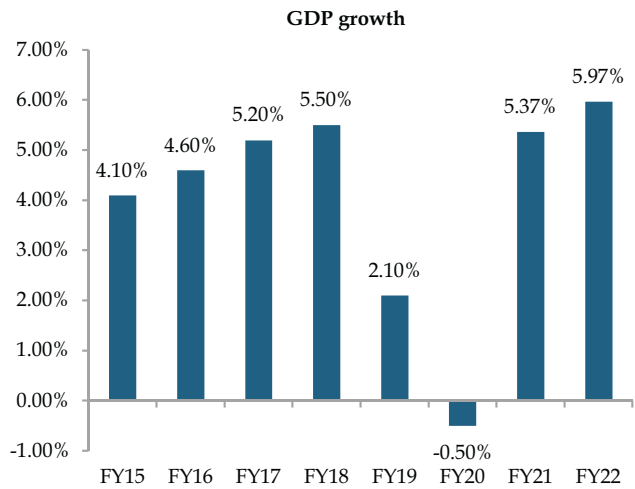
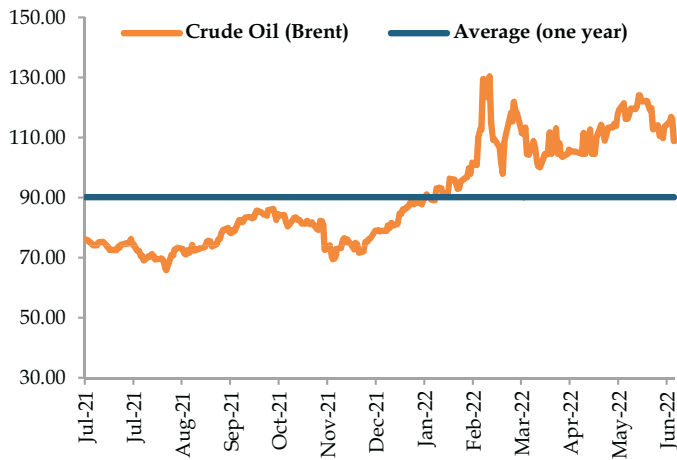
ECONOMIC PERFORMANCE REVIEW

Pakistan's economy recovered from pandemic and maintained the V-shaped growth by posting real GDP growth of 5.97% in FY22 against the revised GDP growth of 5.37% in previous year. All three sectors (Agriculture, Services and Manufacturing) have contributed in this growth trajectory. Agriculture sector showed remarkable growth of 4.40% and surpassed the target of 3.5% and last year growth of 3.48%. This growth can be attributed to high yield of crops, better output prices, and agriculture credit. This high growth, however, is unsustainable and resulted in macroeconomic imbalances. Historically, economy had shown the 'boom-bust' growth cycles. The reason for such volatile growth cycles include the wide ranging economic challenges like twin deficits, pressure on exchange rate, inflation, energy sector bottlenecks, and the absence of supportive environment for the private sector.



During the FY22, the average inflation inched up 12.09%YoY against the 8.90%YOY in SPLY. Price increase was seen across many sectors, including transport, Housing, and Food. The pressure on headline inflation can fairly be attributed to adjustment in prices of electricity, gas, exchange rate depreciation along with rapid increase in global fuel and commodity prices. Going forward we anticipate that full year inflation would remain in double digits. This thesis is premised on higher petroleum prices backed by political instability and decline in exchange rate parity. On the monetary front, the State Bank Pakistan (SBP) may continue monetary tightening by increasing policy rate.

(USD/barrel)



On the balance of payment front, the country posted cumulative deficit of USD 15.20bn against the deficit of USD 1.18bn in the SPLY. The primary reason behind this was trade deficit as exports surged by 25% while the imports swelled by 36% to close the period at USD 36bn and USD 76bn respectively during the FY22. Remittance has been increased by 6% to clock in at USD 31bn. This increase could be attributed to declining transactions through illegal channels due to government crackdown. Foreign exchange reserves of country stood at USD 9.7bn as of June 30, 2022 providing total import cover of ~ 2 months. On the fiscal side, tax collection has reached ~PKR 6.25tr during FY22.

MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of the open-end mutual fund industry posted a growth of 18.5% during FY22 (from PKR 1073 billion to PKR 1274 billion), mainly on account of substantial flows in money market and fixed income funds due to rising interest rates, alongside rising T-bills and PIBs yields. Equity market funds, including Conventional and Islamic, witnessed a decline of 25% to close the period at PKR 183 billion. Although, the total money market and fixed income funds' AUMs increased by 44% and 21% to PKR 682 billion and PKR 298 billion, respectively.

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.

MONEY MARKET REVIEW

As economies recovered from Covid-19, growth in demand outpaced growth in supply which resulted in a sharp increase in prices. Russian - Ukraine war further disrupted energy and grain supply chain leaving economies in a commodity super cycle with crude oil topping at USD 120/barrel. Pakistan being an importer of both energy and grain got stuck in the middle of the crisis with inflation hitting an all-time high of 21.3% in June'22. Increasing pressure on the foreign exchange reserves because of rising current account deficit resulted in a prompt response by the State Bank which led to an increase in policy rate by 675bps taking it to 13.75% and depreciation of the Pak Rupee against the US Dollar by more than 30% during the FY'22.

Secondary market yields of shorter term government securities remained highly volatile throughout the year where the 3M T-bill yields increased from 7.26% to 15.23%, 6M T-bill yields increased from 7.54% to 14.80% and 12M T-bill yields increased from 7.60% to 14.95%. Difference between the policy rate and secondary market yields widened to more than 150bps and remained wide consistently throughout the year. Government of Pakistan ended up borrowing a total of PKR 16,118.8 Billion during the FY'22.

Secondary market yields of longer tenor government securities also remained volatile. 3Y PIB yields increased from 8.69% to 13.97%, 5Y PIB yields increased from 9.20% to 13.18% and 10Y PIB yields increased from 10.40% to 13.15%. Government of Pakistan ended up borrowing a total of PKR 1,685.7 Billion during the FY'22. During the year SBP introduced longer tenor OMOs of 63 days in order to calm the uncertainty in the market which assisted in bringing secondary market yields down. During the year SBP announced a total of 92 OMO injections and ended up injecting a total of PKR 3,953.7 Billion.

FUND PERFORMANCE

During the year under review, ABL IF generated an annualized return of 9.88% against the benchmark return of 10.80% thereby underperforming the benchmark by 92bps.

During the year, net assets of ABL Income Fund increased to PKR 12,831.99 million as at June 30, 2022 as compared to PKR 8.516 million at June 30, 2021. The fund had 0.41% exposure in T-bills, 1.10% exposure in Commercial paper, 11.59% exposure in TFCs, while 84.46% of the funds exposure was placed as cash at the end of June'21.

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 employee's retirement benefits expenses are borne by the Management Company;
11. The pattern of unit holding as at June 30, 2022 is given in note No. 23 of the Financial Statements.

AUDITORS

M/s. A.F. Ferguson & Co. (Chartered Accountants), have been re-appointed as auditors for the year ending June 30, 2023 for ABL Income Fund (ABL-IF).

FUND STABILITY RATING

On January 18, 2022: VIS Credit Rating Company Limited (VIS) has reaffirmed the Fund Stability Rating (FSR) of ABL Income Fund (ABL IF) at 'A+ (f)' (Single A plus (f)).



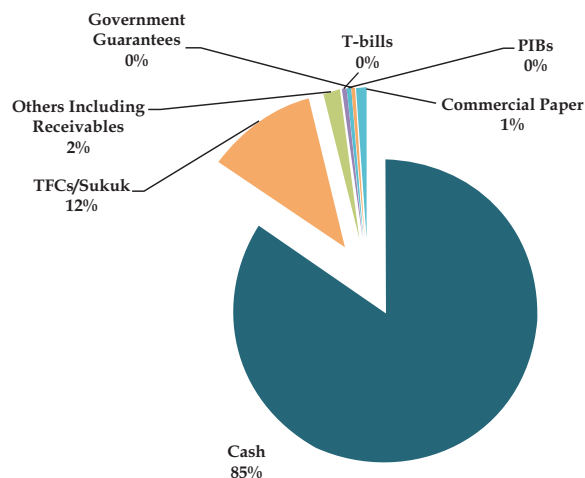
MANAGEMENT QUALITY RATING

On December 31, 2021: VIS Credit Rating Company Limited (VIS) has reaffirmed the Management Quality Rating (MQR) of ABL Asset Management Company (ABL AMC) at 'AM2++' (AM-Two-Double Plus). Outlook on the assigned rating is 'Positive'.

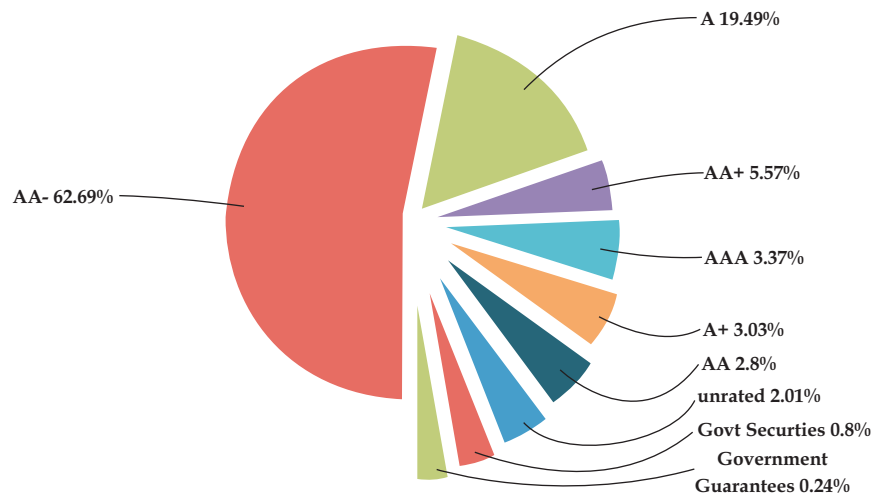
OUTLOOK AND STRATEGY

Going forward inflation is expected to remain on the higher side, although global food prices have started to cool down, therefore we expect the policy rate to remain in the range of 15% to 16%. We expect the inversion in the yield curve to sustain in the near future therefore the strategy would be to trade T-bills actively while taking maximum advantage of any mispricing along the short to medium terms portion of the yield curve. In addition to this the fund will keep investing in high yield instruments with a tenor of 3-6 months and place funds at special deposit rates offered by banks at quarter and year ends.

Asset Allocation



CREDIT QUALITY OF PORTFOLIO (% OF TOTAL ASSETS)



ACKNOWLEDGEMENT

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

For & on behalf of the Board



Director
Lahore, August 24, 2022



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

As economies recovered from Covid-19, growth in demand outpaced growth in supply which resulted in a sharp increase in prices. Russian - Ukraine war further disrupted energy and grain supply chain leaving economies in a commodity super cycle with crude oil topping at USD 120/barrel. Pakistan being an importer of both energy and grain got stuck in the middle of the crisis with inflation hitting an all-time high of 21.3% in June'22. Increasing pressure on the foreign exchange reserves because of rising current account deficit resulted in a prompt response by the State Bank which led to an increase in policy rate by 675bps taking it to 13.75% and depreciation of the Pak Rupee against the US Dollar by more than 30% during the FY'22.

Secondary market yields of shorter term government securities remained highly volatile throughout the year where the 3M T-bill yields increased from 7.26% to 15.23%, 6M T-bill yields increased from 7.54% to 14.80% and 12M T-bill yields increased from 7.60% to 14.95%. Difference between the policy rate and secondary market yields widened to more than 150bps and remained wide consistently throughout the year. Government of Pakistan ended up borrowing a total of PKR 16,118.8 Billion during the FY'22.

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FUND PERFORMANCE

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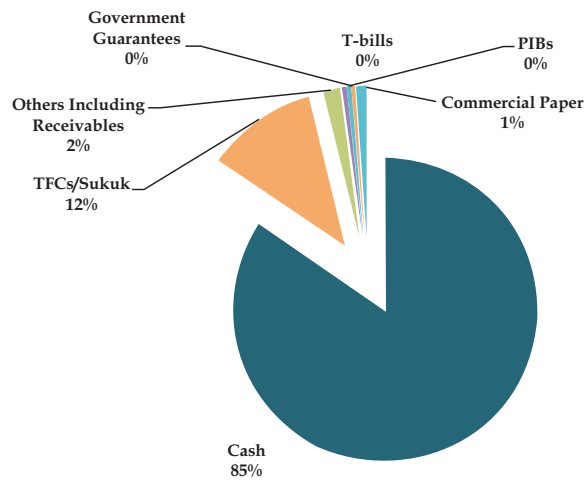
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OUTLOOK AND STRATEGY

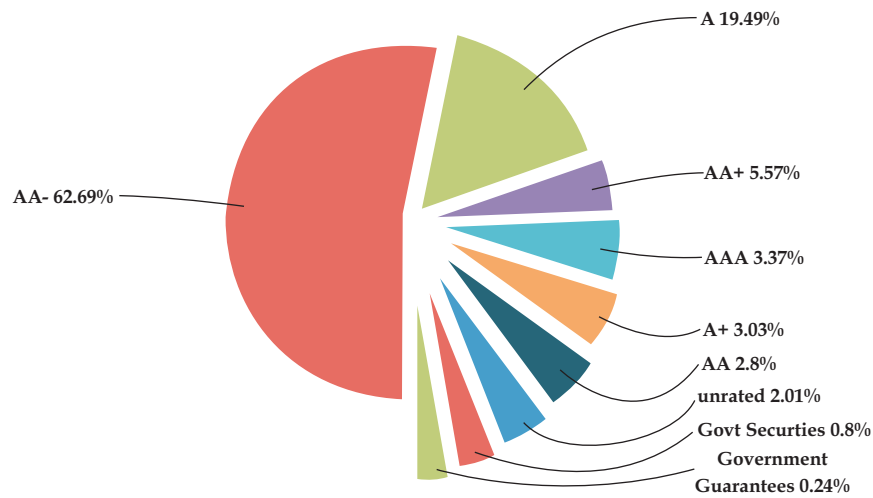
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| | |
|---|-----------|
| Yield | 9.88% |
| Benchmark 6 Months KIBOR Average | 10.80% |
| Weighted Average Time to Maturity of Net Assets (days) | 263.53 |
| Asset under management as at June 30,2022 (PKR mn) | 12,831.99 |
| Closing NAV per unit as on June 30,2022 (PKR) (Ex-Dividend) | 10.0976 |

Asset Allocation



CREDIT QUALITY OF PORTFOLIO (% OF TOTAL ASSETS)



PERFORMANCE TABLE

| | June 2022 | June 2021 | June 2020 | June 2019 | June 2018 | June 2017 |
|---|------------------------------|---------------|---------------|---------------|-----------|---------------|
| | ------(Rupees in '000)----- | | | | | |
| Net Assets | 12,831,992 | 8,516,128 | 1,490,933 | 1,692,901 | 2,810,027 | 3,875,373 |
| Net Income | 1,241,292 | 179,712 | 226,156 | 132,149 | 167,989 | 83,802 |
| | ------(Rupees per unit)----- | | | | | |
| Net Assets value | 10.0976 | 10.0917 | 10.0810 | 10.0717 | 10.5036 | 10.0354 |
| Interim distribution* | 0.7749 | 0.3099 | - | 0.4438 | - | - |
| Final distribution | 0.1750 | 0.1543 | 1.4354 | 0.7034 | - | 0.5631 |
| Distribution date final | June 26, 2022 | June 28, 2021 | June 29, 2020 | June 26, 2019 | - | June 20, 2017 |
| Closing offer price | 10.2733 | 10.2673 | 10.2564 | 10.2228 | 10.6611 | 10.1859 |
| Closing repurchase price | 10.0976 | 10.0917 | 10.0810 | 10.0717 | 10.5036 | 10.0354 |
| Highest offer price | 10.4453 | 10.5776 | 11.7216 | 10.9246 | 10.6551 | 10.7215 |
| Lowest offer price | 10.2611 | 10.1560 | 10.2258 | 10.2259 | 10.1896 | 10.1454 |
| Highest repurchase price per unit | 10.2667 | 10.3967 | 11.5484 | 10.7632 | 10.4976 | 10.5631 |
| Lowest repurchase price per unit | 10.0856 | 9.9823 | 10.0747 | 10.0748 | 10.039 | 9.9955 |
| | -----Percentage----- | | | | | |
| Total return of the fund | | | | | | |
| - capital growth | 0.38% | 0.12% | -0.04% | -4.35% | 4.67% | 0.23% |
| - income distribution | 9.50% | 4.64% | 14.35% | 11.47% | 0.00% | 5.63% |
| Average Annual return of the fund | | | | | | |
| First Year | 9.88% | 4.76% | 14.32% | 7.12% | 4.67% | 5.86% |
| Second Year | 7.56% | 9.89% | 11.23% | 6.06% | 5.40% | 6.74% |
| Third Year | 10.54% | 9.43% | 9.40% | 6.23% | 6.26% | 9.86% |
| Fourth Year | 10.25% | 8.57% | 8.93% | 6.81% | 8.91% | 10.05% |
| Fifth Year | 9.51% | 8.43% | 9.09% | 9.06% | 9.35% | 10.81% |
| Sixth Year | 9.37% | 8.73% | 11.02% | 9.53% | 10.20% | 12.01% |
| Seventh Year | 9.64% | 10.57% | 11.39% | 10.39% | 11.44% | 13.09% |
| Eighth Year | 11.40% | 11.03% | 12.18% | 11.61% | 12.63% | 14.15% |
| Ninth Year | 11.88% | 11.87% | 13.40% | 12.74% | 13.68% | - |
| Tenth Year | 12.73% | 13.11% | 14.55% | 13.90% | - | - |
| Eleventh Year | 13.99% | 14.36% | 15.75% | - | - | - |
| Twelfth Year | 15.29% | 15.52% | - | - | - | - |
| Thirteenth Year | 16.51% | - | - | - | - | - |
| Since Inception | 18.12% | 17.07% | 17.27% | 15.35% | 15.14% | 15.60% |
| Weighted average Portfolio duration in days | 264 | 134 | 1108 | 813 | 592 | 630 |

Distribution History*

| 2022 | | 2022 | | 2021 | | 2017 | |
|-------------------|-------------------|---------------|-------------------|----------------|-------------------|---------------|-------------------|
| Date | Rate Re. Per Unit | Date | Rate Re. Per Unit | Date | Rate Re. Per Unit | Date | Rate Re. Per Unit |
| August 8, 2021 | 0.0796 | April 5, 2022 | 0.0978 | April 11, 2021 | 0.3099 | June 20, 2017 | 0.5631 |
| September 3, 2021 | 0.0566 | May 12, 2022 | 0.1125 | June 28, 2021 | 0.1543 | | |
| October 3, 2021 | 0.0579 | | | | | | |
| October 31, 2021 | 0.0575 | | | | | | |
| December 5, 2021 | 0.0710 | | | | | | |
| January 14, 2022 | 0.1057 | | | | | | |
| February 4, 2022 | 0.0626 | | | | | | |
| March 4, 2022 | 0.0737 | | | | | | |

| 2019 | |
|----------------|-------------------|
| Date | Rate Re. Per Unit |
| July 3, 2018 | 0.3588 |
| August 1, 2018 | 0.0850 |
| June 26, 2019 | 0.7034 |

**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 INCOME FUND

**Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V
of the Non-Banking Finance Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of ABL Income Fund (the Fund) are of the opinion that ABL Asset Management Company Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2022 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, 2022



INDEPENDENT AUDITOR'S REPORT

To the Unitholders of ABL Income Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ABL Income Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2022, and the income statement, statement of comprehensive income, 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, 2022, 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, 2022 amounted to Rs. 10,881.270 million and Rs. 1,773.548 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, 2022 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, 2022 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 Matter

The financial statements of the Fund for the year ended June 30, 2021 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon vide their report dated September 28, 2021.

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.
- 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.
Chartered Accountants
Karachi

Date: September 27, 2022

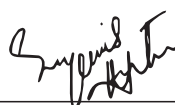
UDIN: AR202210061h4NurRUB5

ABL INCOME FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2022

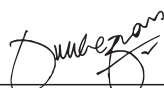
| | Note | 2022 | 2021 |
|---|------|---------------|-------------|
| -----Rupees in '000----- | | | |
| Assets | | | |
| Bank balances | 4 | 10,881,270 | 5,960,065 |
| Investments | 5 | 1,773,548 | 978,769 |
| Receivable against margin trading system | | - | 1,356,897 |
| Receivable against issuance of units | | - | 208,520 |
| Interest / profit accrued | 6 | 184,692 | 48,199 |
| Deposits and other receivables | 7 | 75,242 | 189,785 |
| Total assets | | 12,914,752 | 8,742,235 |
| Liabilities | | | |
| Payable to ABL Asset Management Company Limited - Management Company | 8 | 43,852 | 29,902 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | 9 | 907 | 658 |
| Payable to the Securities and Exchange Commission of Pakistan | 10 | 2,631 | 589 |
| Payable against redemption of units | | 1,043 | 45,189 |
| Payable against purchase of investments | | - | 129,032 |
| Dividend payable | | 47 | - |
| Accrued expenses and other liabilities | 11 | 34,280 | 20,737 |
| Total liabilities | | 82,760 | 226,107 |
| NET ASSETS | | 12,831,992 | 8,516,128 |
| UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED) | | 12,831,992 | 8,516,128 |
| CONTINGENCIES AND COMMITMENTS | | | |
| NUMBER OF UNITS IN ISSUE | 12 | 1,270,798,585 | 843,874,569 |
| NET ASSET VALUE PER UNIT | | 10.0976 | 10.0917 |

The annexed notes from 1 to 30 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Aleo Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director



ABL INCOME FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2022

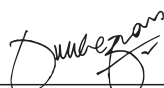
| | Note | 2022 | 2021 |
|--|------|----------------------------|----------------|
| | | ----- Rupees in '000 ----- | |
| Income | | | |
| Interest / profit earned | 13 | 1,373,568 | 237,921 |
| Loss on sale of investments - net | | (36,469) | (16,208) |
| Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' | 5.9 | 13,319 | 4,110 |
| | | (23,150) | (12,098) |
| Total income | | 1,350,418 | 225,823 |
| Expenses | | | |
| Remuneration of ABL Asset Management Company Limited - Management Company | | | |
| Punjab Sales Tax on remuneration of the Management Company | 8.1 | 52,620 | 26,796 |
| Accounting and operational charges | 8.2 | 8,409 | 4,287 |
| Selling and marketing expenses | 8.4 | 27,379 | 2,068 |
| Remuneration of the Central Depository Company of Pakistan Limited - Trustee | 8.5 | - | 3,353 |
| Sindh Sales Tax on remuneration of the Trustee | 9.1 | 9,866 | 2,207 |
| Annual fees to the Securities and Exchange Commission of Pakistan | 9.2 | 1,282 | 287 |
| Securities transaction cost | 10.1 | 2,631 | 589 |
| Auditors' remuneration | | 9,635 | 5,028 |
| Annual rating fee | 14 | 594 | 511 |
| Annual listing fee | | 307 | 306 |
| Printing charges | | 28 | 52 |
| Legal and professional charges | | 100 | 74 |
| Bank charges | | 274 | 283 |
| | | 184 | 270 |
| Total operating expenses | | 113,309 | 46,111 |
| Reversal of provision for Sindh Workers Welfare Fund | 11.1 | 4,183 | |
| Net income for the year before taxation | | 1,241,292 | 179,712 |
| Taxation | 16 | - | - |
| Income for the year after taxation | | 1,241,292 | 179,712 |
| Earnings per unit | | | |
| Allocation of net income for the year | 17 | | |
| Net income for the year after taxation | | 1,241,292 | 179,712 |
| Income already paid on units redeemed | | (79,909) | (25,952) |
| | | 1,161,383 | 153,760 |
| Accounting income available for distribution | | | |
| - Relating to capital gains | | - | - |
| - Excluding capital gains | | 1,161,383 | 153,760 |
| | | 1,161,383 | 153,760 |

The annexed notes from 1 to 30 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Alea Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

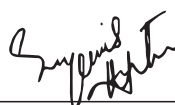


**ABL INCOME FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2022**

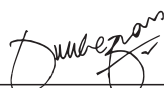
| | 2022 | 2021 |
|--|----------------------------|----------------|
| | ----- Rupees in '000 ----- | |
| Income for the year after taxation | 1,241,292 | 179,712 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | <u>1,241,292</u> | <u>179,712</u> |

The annexed notes from 1 to 30 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Alea Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

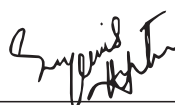


ABL INCOME FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2022

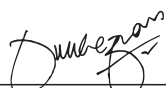
| | 2022 | | | 2021 | | |
|---|---------------|-----------------------|-------------|---------------|-----------------------|------------|
| | Capital Value | Undistribut ed income | Total | Capital Value | Undistribut ed income | Total |
| ---(Rupees in '000)--- | | | | | | |
| Net assets at the beginning of the year | 8,488,066 | 28,062 | 8,516,128 | 1,467,105 | 23,828 | 1,490,933 |
| Issue of 2,542,318,005 (2021: 1,127,659,055) units | | | | | | |
| Capital value (at ex - net asset value per unit) | 25,656,311 | - | 25,656,311 | 11,371,254 | - | 11,371,254 |
| Element of income | 121,900 | - | 121,900 | 182,121 | - | 182,121 |
| Total proceeds on issuance of units | 25,778,211 | - | 25,778,211 | 11,553,375 | - | 11,553,375 |
| Redemption of 2,115,393,989 (2021: 431,680,429) units | | | | | | |
| Capital value (at ex - net asset value per unit) | 21,347,922 | - | 21,347,922 | 4,353,550 | - | 4,353,550 |
| Element of loss | 34,039 | 79,909 | 113,948 | 25,317 | 25,952 | 51,269 |
| Total payments on redemption of units | 21,381,961 | 79,909 | 21,461,869 | 4,378,867 | 25,952 | 4,404,819 |
| Total comprehensive income for the year | - | 1,241,292 | 1,241,292 | - | 179,712 | 179,712 |
| Distribution for the period ended August 7, 2021 @ Re. 0.0796 per unit on August 8, 2021 (2020: @ Re. Nil per unit) | (7,016) | (63,445) | (70,461) | - | - | - |
| Distribution for the period ended September 2, 2021 @ Re. 0.0566 per unit on September 3, 2021 (2020: @ Re. Nil per unit) | (30,411) | (53,178) | (83,589) | - | - | - |
| Distribution for the period ended October 2, 2021 @ Re. 0.0579 per unit on October 3, 2021 (2020: @ Re. Nil per unit) | (2,472) | (85,379) | (87,851) | - | - | - |
| Distribution for the period ended October 30, 2021 @ Re. 0.0575 per unit on October 31, 2021 (2020: @ Re. Nil per unit) | (4,943) | (81,027) | (85,970) | - | - | - |
| Distribution for the period ended December 4, 2021 @ Re. 0.0710 per unit on December 5, 2021 (2020: @ Re. Nil per unit) | (7,779) | (93,502) | (101,281) | - | - | - |
| Distribution for the period ended January 13, 2022 @ Re. 0.1057 per unit on January 14, 2022 (2020: @ Re. Nil per unit) | (5,390) | (130,311) | (135,701) | - | - | - |
| Distribution for the period ended February 3, 2022 @ Re. 0.0626 per unit on February 4, 2022 (2021: @ Re. Nil per unit) | (3,892) | (79,882) | (83,774) | - | - | - |
| Distribution for the period ended March 3, 2022 @ Re. 0.0737 per unit on March 4, 2022 (2021: @ Re. Nil per unit) | (5,009) | (94,563) | (99,572) | - | - | - |
| Distribution for the period ended April 4, 2022 @ Re. 0.0978 per unit on April 5, 2022 (2021: @ Re. 0.3099 per unit on April 11, 2021) | (8,894) | (118,848) | (127,742) | (128,026) | (50,108) | (178,134) |
| Distribution for the period ended May 11, 2022 @ Re. 0.1125 per unit on May 12, 2022 (2021: @ Re. Nil per unit) | (4,700) | (139,861) | (144,561) | - | - | - |
| Distribution for the period ended June 26, 2022 @ Re. 0.1750 per unit on June 27, 2022 (2021: @ Re. 0.1543 per unit on June 28, 2021) | (6,519) | (214,749) | (221,269) | (25,521) | (99,418) | (124,939) |
| Total distribution during the year | (87,025) | (1,154,744) | (1,241,769) | (153,547) | (149,526) | (303,073) |
| Net assets at the end of the year | 12,797,291 | 34,701 | 12,831,992 | 8,488,066 | 28,062 | 8,516,128 |
| Undistributed income brought forward | | | | | | |
| - Realised income | | 23,952 | | | 18,096 | |
| - Unrealised income | | 4,110 | | | 5,732 | |
| | | 28,062 | | | 23,828 | |
| Accounting income available for distribution | | | | | | |
| -Relating to capital gains | | - | | | - | |
| -Excluding capital gains | | 1,161,383 | | | 153,760 | |
| | | 1,161,383 | | | 153,760 | |
| Distribution during the year | | (1,154,744) | | | (149,526) | |
| Undistributed income carried forward | | 34,701 | | | 28,062 | |
| Undistributed income carried forward | | | | | | |
| - Realised income | | 21,382 | | | 23,952 | |
| - Unrealised income | | 13,319 | | | 4,110 | |
| | | 34,701 | | | 28,062 | |
| Net assets value per unit at beginning of the year | | | | Rupees | | Rupees |
| | | | | 10.0917 | | 10.0810 |
| Net assets value per unit at end of the year | | | | 10.0976 | | 10.0917 |

The annexed notes from 1 to 30 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

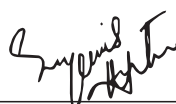


ABL INCOME FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2022

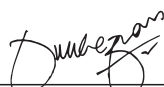
| | Note | 2022 | 2021 |
|--|------|-------------|-------------|
| ----- Rupees in '000 ----- | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net income for the year before taxation | | 1,241,292 | 179,712 |
| Adjustments for: | | | |
| Interest / profit earned | 13 | (1,373,568) | (237,921) |
| Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' | 5.9 | (13,319) | (4,110) |
| | | (1,386,887) | (242,031) |
| Increase in assets | | | |
| Deposits and other receivables | | 114,543 | (146,713) |
| Receivable against margin trading system | | 1,356,897 | (1,356,897) |
| | | 1,471,440 | (1,503,610) |
| Increase/(decrease) in liabilities | | | |
| Payable to ABL Asset Management Company Limited - Management Company | | 13,950 | 1,852 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | | 249 | 529 |
| Payable to the Securities and Exchange Commission of Pakistan | | 2,042 | 245 |
| Dividend payable | | 47 | (2) |
| Accrued expenses and other liabilities | | 13,542 | (3,696) |
| | | 29,830 | (1,072) |
| | | 1,355,675 | (1,567,001) |
| Interest received | | 1,237,075 | 217,122 |
| Net amount (paid) / received on purchase and sale of investments | | (910,492) | 524,527 |
| | | 1,682,258 | (825,352) |
| Net cash generated from / (used in) operating activities | | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Receipts from issuance of units - net of refund of element | | 25,899,706 | 11,191,308 |
| Net payments against redemption of units | | 21,506,015 | (4,359,685) |
| Cash pay-out against distribution | | (1,154,744) | (149,526) |
| Net cash generated from financing activities | | 3,238,947 | 6,682,097 |
| Net increase in cash and cash equivalents | | 4,921,205 | 5,856,745 |
| Cash and cash equivalents at the beginning of the year | | 5,960,065 | 103,320 |
| Cash and cash equivalents at the end of the year | 4 | 10,881,270 | 5,960,065 |

The annexed notes from 1 to 30 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Alea Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director



ABL INCOME FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

AS AT JUNE 30, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Income Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on June 16, 2008 between ABL Asset Management Company as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed has been revised through the Deed of Change of Trustee and the First and Second Supplemental Trust Deeds dated September 30, 2010 and July 29, 2011 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). Furthermore, the Offering Document of the Fund has been revised through the First, Second, Third and Fourth Supplements dated November 1, 2010, September 20, 2011, December 20, 2011, and July 30, 2013 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/VS/ ABL/ 447/ 2008 dated June 06, 2008 in accordance with the requirement of the Non-Banking Finance Companies and Notified Entities Regulation, 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 September 20, 2008 and are transferable and redeemable by surrendering them to the Fund.

1.3 The objective of the Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium and long-term instruments, both within and outside Pakistan which the Fund aims to deliver mainly by investing in equity securities, government securities, cash in bank accounts, money market placements, deposits, Certificates of Deposits, Term Deposit Receipts, commercial papers, term finance certificates / sukuks, spread transactions other absolute return instruments that may be allowed by the SECP. The investment objectives and policies are explained in the Fund's offering document.

1.4 VIS Credit Rating Company Limited has determined the asset manager rating of the Management Company of AM2++ (2021: AM2++) on December 31, 2021. 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 maintained the stability rating of the Fund to "A+(f)" (2021: "A+(f)") on January 18, 2022.

1.5 The title to the assets of the Fund's held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

1.6 During the year ended June 30, 2021, the Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Management Company in consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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



2.2 Standards, interpretations and amendments to published 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, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

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

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

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

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

2.3.1 There are certain other standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2022 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not disclosed in these financial statements.

2.4 Critical accounting estimates and judgments

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

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 3.2 and 5), provision for SWWF (note 11.1), provision for Federal Excise Duty (note 8.3) and provision for taxation (notes 3.12 and 16).

2.5 Accounting convention

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

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates.

These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

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

3.2 Financial assets

3.2.1 Classification and subsequent measurement

Debt instruments

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

- amortised cost
- at fair value through other comprehensive income (FVOCI)

- at fair value through profit or loss (FVTPL)

based on the business model of the entity.

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

3.2.2 Impairment

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

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

3.2.3 Impairment loss on debt securities

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

3.2.4 Regular way contracts

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

3.2.5 Initial recognition and measurement

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

3.2.6 Derecognition

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

3.3 Financial liabilities

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

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

3.4 Provisions

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

3.5 Net asset value per unit

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

3.6 Issue and redemption of units

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

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

3.7 Distributions to unit holders

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

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

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

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

3.9 Revenue recognition

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

3.10 Expenses

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

3.11 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders in cash.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

3.12 Earnings per unit

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

3.13 Foreign currency translation

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

| | Note | 2022 ----- Rupees in '000 ----- | 2021 |
|-------------------------|------|------------------------------------|------------------|
| 4 BANK BALANCES | | | |
| Balances with banks in: | | | |
| Savings accounts | 4.1 | <u>10,881,270</u> | <u>5,960,065</u> |

4.1 These savings accounts carry mark-up at rates ranging from 7.75% to 16.65% per annum (2021: 5.00% to 8.50% per annum. Deposits in savings accounts include Rs. 402.23 million (2021: Rs. 4,807.91 million) maintained with Allied Bank Limited, a related party, and carry mark-up rates ranging from 7.75% to 16.15% (2021: 7.83%) per annum.

| 5 | INVESTMENTS | Note | 2022 | 2021 |
|---|---|------|----------------------------|----------------|
| | | | ----- Rupees in '000 ----- | |
| At fair value through profit or loss | | | | |
| | Term finance certificates - unlisted | 5.1 | 1,441,869 | 797,682 |
| | Government securities - Market Treasury Bills | 5.2 | 53,303 | 56,061 |
| | Government securities - Pakistan Investment Bonds | 5.3 | 49,590 | 25,026 |
| | Corporate sukuk certificates | 5.4 | 55,235 | - |
| | Commercial papers | 5.5 | 142,351 | - |
| | GOP Ijarah sukuks | 5.6 | 31,200 | - |
| | Letter of placements | 5.7 | - | - |
| | Term deposit receipts | 5.8 | - | 100,000 |
| | | | <u>1,773,548</u> | <u>978,769</u> |

5.1 Term Finance Certificates - unlisted

| Name of the Investee Company | Profit rate | Maturity date | As at July 1, 2021 | Purchased during the year | Disposed of / matured during the year | As at June 30, 2022 | Carrying value as at June 30, 2022 | Market value as at June 30, 2022 | Unrealised appreciation / (diminution) | Percentage in relation to | | Investment as a percentage of total issue size |
|---|--|--------------------|----------------------------------|---------------------------|---------------------------------------|--------------------------|------------------------------------|----------------------------------|--|----------------------------------|------------------------|--|
| | | | | | | | | | | Total market value of investment | Net assets of the Fund | |
| | | | -----Number of certificates----- | | | -----Rupees in '000----- | | | -----Percentage----- | | | |
| Commercial banks | | | | | | | | | | | | |
| The Bank of Punjab (AA, PACRA) (Face value of 99,780 per certificate) | 6 months KIBOR plus base rate of 1.00% | December 26, 2026 | 1,080 | 2,350 | 1,750 | 1,680 | 170,102 | 168,301 | (1,801) | 9.49% | 1.31% | 6.71% |
| The Bank of Punjab (AA, PACRA) (Face value of 99,860 per certificate) | 6 months KIBOR plus base rate of 1.25% | April 23, 2028 | - | 1,000 | 500 | 500 | 51,618 | 51,105 | (513) | 2.88% | 0.40% | 2.00% |
| JS Bank Limited (A+, PACRA) (Face value of 4,990 per certificate) | 6 months KIBOR plus base rate of 1.40% | December 16, 2023 | 39,450 | 42,800 | 82,250 | - | - | - | - | - | - | - |
| JS Bank Limited (A+, PACRA) (Face value of 5,000 per certificate) | 6 months KIBOR plus base rate of 2.00% | December 28, 2022 | - | 2,500 | 250 | 2,250 | 224,955 | 231,763 | 6,808 | 13.07% | 1.81% | 0.37% |
| JS Bank Limited (A+, PACRA) (Face value of 99,820 per certificate) | 6 months KIBOR plus base rate of 1.40% | December 29, 2024 | - | 1,566 | 1,066 | 500 | 50,169 | 50,160 | (9) | 2.83% | 0.39% | 0.08% |
| Bank Al Habib Limited (AA+, PACRA) (Face value of 4,993 per certificate) | 6 months KIBOR plus base rate of 1.00% | December 6, 2028 | 30,000 | 94,000 | 100,000 | 24,000 | 124,364 | 125,105 | 740 | 7.05% | 0.97% | 4.00% |
| Bank Al Habib Limited (AA+, PACRA) (Face value of 4,999 per certificate) | 6 months KIBOR plus base rate of 1.00% | September 29, 2031 | - | 166,000 | 80,000 | 86,000 | 438,943 | 447,970 | 9,027 | 25.26% | 3.49% | 14.33% |
| Soneri Bank Limited (A+, PACRA) (Face value of 4,987 per certificate) | 6 months KIBOR plus base rate of 1.35% | July 8, 2023 | 34,560 | 33,000 | 46,500 | 21,060 | 107,445 | 109,458 | 2,013 | 6.17% | 0.85% | 3.51% |
| Samba Bank Limited-TFC (AA-, PACRA) (Face value of 99,960 per certificate) | 6 months KIBOR plus base rate of 1.35% | March 1, 2031 | - | 1,635 | 600 | 1,035 | 106,239 | 103,869 | (2,371) | 5.86% | 0.81% | 0.17% |
| Microfinance Banks | | | | | | | | | | | | |
| U Microfinance Bank Limited (A, VIS) (Face value of 5,000 per certificate) | 6 months KIBOR plus base rate of 1.35% | May 25, 2025 | 1,000 | - | - | 1,000 | 100,000 | 100,000 | - | 5.64% | 0.78% | 0.17% |

| Name of the Investee Company | Profit rate | Maturity date | As at July 1, 2021 | Purchased during the year | Disposed of / matured during the year | As at June 30, 2022 | Carrying value as at June 30, 2022 | Market value as at June 30, 2022 | Unrealised appreciation / (diminution) | Percentage in relation to | | Investment as a percentage of total issue size |
|------------------------------|-------------|---------------|--------------------|---------------------------|---------------------------------------|---------------------|------------------------------------|----------------------------------|--|----------------------------------|------------------------|--|
| | | | | | | | | | | Total market value of investment | Net assets of the Fund | |

-----Number of certificates----- -----Rupees in '000----- -----Percentage-----

Investment companies

| | | | | | | | | | | | | |
|--|--|------------------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|
| Jahangir Siddiqui Company Limited (AA+, PACRA) (Face value of 1,750 per certificate) | 6 months KIBOR plus base rate of 1.40% | July 18, 2022 | 30,000 | 13,000 | 13,000 | 30,000 | 52,992 | 54,138 | 1,147 | 3.05% | 0.42% | 4.50% |
|--|--|------------------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|

Total as at June 30, 2022 136,090 357,851 325,916 168,025 1,426,827 1,441,869 15,041 81.30% 11.23%

Total - June 30, 2021 791,749 797,682 5,933 81.51% 9.36%

5.1.1 The cost of unlisted term finance certificates as at June 30, 2022 is Rs. 1247.17 million (2021: Rs.794.56 million).

5.2 Government securities - Market Treasury Bills

| Tenor | Face Value (Rupees in '000) | | | | Rupees in '000 | | | Percentage in relation to | |
|----------------------------------|-----------------------------|---------------------------|---------------------------------------|---------------------|------------------------------------|----------------------------------|--|----------------------------------|------------------------|
| | As at July 1, 2021 | Purchased during the year | Disposed of / matured during the year | As at June 30, 2022 | Carrying value as at June 30, 2022 | Market value as at June 30, 2022 | Unrealised appreciation / (diminution) | Total market value of investment | Net assets of the Fund |
| 3 Months | - | 51,866,000 | 51,866,000 | - | - | - | - | - | - |
| 6 Months | 57,000 | 164,881,500 | 164,883,400 | 55,100 | 53,363 | 53,303 | (60) | 3.01% | 0.42% |
| 12 Months | - | 75,625,310 | 75,625,310 | - | - | - | - | - | - |
| Total as at June 30, 2022 | <u>57,000</u> | <u>292,372,810</u> | <u>292,374,710</u> | <u>55,100</u> | <u>53,363</u> | <u>53,303</u> | <u>(60)</u> | <u>3.01%</u> | <u>0.42%</u> |
| Total - June 30, 2021 | | | | | <u>56,016</u> | <u>56,061</u> | <u>45</u> | <u>5.73%</u> | <u>0.66%</u> |

5.2.1 These carry yield ranging from 10.50% to 15.50% (2021: 4.83% to 7.68%) and are due to mature latest by July 13, 2022.

5.3 Government Securities - Pakistan Investment Bonds

| Issue date | Tenor | Face value (Rupees in '000) | | | | Rupees in '000 | | | Percentage in relation to | |
|----------------------------------|----------|-----------------------------|---------------------------|---------------------------------------|---------------------|------------------------------------|----------------------------------|--|----------------------------------|------------------------|
| | | As at July 1, 2021 | Purchased during the year | Disposed of / matured during the year | As at June 30, 2022 | Carrying value as at June 30, 2022 | Market value as at June 30, 2022 | Unrealised appreciation / (diminution) | Total market value of investment | Net assets of the Fund |
| November 5, 2020 | 2 years | - | 538,000 | 538,000 | - | - | - | - | - | |
| August 26, 2021 | 2 years | - | 4,395,000 | 4,345,000 | 50,000 | 49,184 | 49,590 | 406 | 2.80% | |
| December 30, 2021 | 2 years | - | 7,640,000 | 7,640,000 | - | - | - | - | - | |
| September 19, 2019 | 3 years | - | 410,000 | 410,000 | - | - | - | - | - | |
| October 22, 2020 | 3 years | - | 8,000,000 | 8,000,000 | - | - | - | - | - | |
| August 5, 2021 | 3 years | - | 1,400,000 | 1,400,000 | - | - | - | - | - | |
| October 7, 2021 | 3 years | - | 8,750,000 | 8,750,000 | - | - | - | - | - | |
| December 29, 2016 | 5 years | 25,000 | - | 25,000 | - | - | - | - | - | |
| October 15, 2020 | 5 years | - | 1,400,000 | 1,400,000 | - | - | - | - | - | |
| May 6, 2021 | 5 years | - | 2,900,000 | 2,900,000 | - | - | - | - | - | |
| December 10, 2020 | 10 years | - | 250,000 | 250,000 | - | - | - | - | - | |
| Total as at June 30, 2022 | | <u>25,000</u> | <u>35,683,000</u> | <u>35,658,000</u> | <u>50,000</u> | <u>49,184</u> | <u>49,590</u> | <u>406</u> | <u>2.80%</u> | |
| Total - June 30, 2021 | | | | | | <u>26,894</u> | <u>25,026</u> | <u>(1,868)</u> | <u>2.56%</u> | |

5.3.1 This carries yield of 10.703% (2021: 7.25% to 15.80%) and is due to mature latest by August 26, 2023.

5.4 Corporate sukuk certificates

| Name of Investee Company | As at July 1, 2021 | Purchased during the year | Disposed of / matured during the year | As at June 30, 2022 | Carrying value as at June 30, 2022 | Market value as at June 30, 2022 | Unrealised appreciation / (diminution) | Percentage in relation to | | Investment as a percentage of total issue size |
|---|--------------------|---------------------------|---------------------------------------|---------------------|------------------------------------|----------------------------------|--|----------------------------------|------------------------|--|
| | | | | | | | | Total market value of investment | Net assets of the Fund | |
| -----Number of certificates----- | | | | | -----Rupees in '000----- | | | -----Percentage----- | | |
| Power Generation and Distribution | | | | | | | | | | |
| The Hub Power Company Limited (Face value of 75,000 per certificate) | - | 3,350 | 2,650 | 700 | 55,235 | 55,235 | - | 3.11% | 0.43% | 1.35% |
| The Hub Power Company Limited (Face value of 5,000 per certificate) | - | 136,000 | 136,000 | - | - | - | - | - | - | - |
| Total as at June 30, 2022 | - | 139,350 | 138,650 | 700 | 55,235 | 55,235 | - | 3.11% | 0.43% | |
| Total - June 30, 2021 | | | | | | | | | | |

5.4.1 The cost of sukuk certificates as at June 30, 2022 is Rs. 55.235 million (2021: Nil).

5.5 Commercial papers

| Name of Investee Company | Face value (Rupees in '000) | | | | Rupees in '000 | | Percentage in | |
|---|-----------------------------|---------------------------|---------------------------------------|---------------------|------------------------------------|----------------------------------|----------------------------------|------------------------|
| | As at July 1, 2021 | Purchased during the year | Disposed of / matured during the year | As at June 30, 2022 | Carrying value as at June 30, 2022 | Market value as at June 30, 2022 | Total market value of investment | Net assets of the Fund |
| POWER GENERATION AND DISTRIBUTION | | | | | | | | |
| K- Electric Limited ICP-16 (A-1 , VIS) | - | 280,000 | 280,000 | - | - | - | - | - |
| K- Electric Limited ICP-18 (A-1 , VIS) | - | 190,000 | 190,000 | - | - | - | - | - |
| K- Electric Limited ICP-19 (A-1 , VIS) | - | 285,000 | 285,000 | - | - | - | - | - |
| K- Electric Limited ICP-20 (A-1 , VIS) | - | 1,300,000 | 1,300,000 | - | - | - | - | - |
| K- Electric Limited CP-1 (A-1 , VIS) | - | 970,000 | 970,000 | - | - | - | - | - |
| Lucky Electric Power Company Ltd. (AA, PACRA) | - | 150,000 | - | 150,000 | 142,351 | 142,351 | 8.03% | 1.11% |
| Total as at June 30, 2022 | - | 3,175,000 | 3,025,000 | 150,000 | 142,351 | 142,351 | 8.03% | 1.11% |
| Total - June 30, 2021 | | | | | | | | |

5.5.1 This carries profit at the rate of 16.21% per annum (2021: Nil) and is due to mature latest by November 1, 2022 (2021: Nil).

5.6 Government Securities - GOP Ijarah Sukuks

| Issue date | Tenor | Face value (Rupees in '000) | | | | Rupees in '000 | | | Percentage in relation to | |
|----------------------------------|---------|-----------------------------|---------------------------|---------------------------------------|---------------------|------------------------------------|----------------------------------|--|----------------------------------|------------------------|
| | | As at July 1, 2021 | Purchased during the year | Disposed of / matured during the year | As at June 30, 2022 | Carrying value as at June 30, 2022 | Market value as at June 30, 2022 | Unrealised appreciation / (diminution) | Total market value of investment | Net assets of the Fund |
| October 6, 2021 | 3 Years | - | 500,000 | 500,000 | - | - | - | - | - | - |
| April 30, 2020 | 5 Years | - | 900,000 | 900,000 | - | - | - | - | - | - |
| December 15, 2021 | 5 Years | | 62,500 | 30,000 | 32,500 | 33,269 | 31,200 | (2,069) | 1.76% | 0.24% |
| Total as at June 30, 2022 | | - | 1,400,000 | 1,400,000 | - | 33,269 | 31,200 | (2,069) | 1.76% | 0.24% |
| Total - June 30, 2021 | | | | | | | | | | |

5.6.1 The cost of GOP Ijarah sukuks as at June 30, 2022 is Rs. 30.71 million (2021: Nil)

5.7 Letter of Placements

| Name of Investee Company | Face value (Rupees in '000) | | | | Rupees in '000 | | | Percentage in relation to | |
|--------------------------|-----------------------------|---------------------------|---------------------------------------|---------------------|------------------------------------|----------------------------------|------------------------------------|----------------------------------|------------------------|
| | As at July 1, 2021 | Purchased during the year | Disposed of / matured during the year | As at June 30, 2022 | Carrying value as at June 30, 2022 | Market value as at June 30, 2022 | Unrealised appreciation / (diminu- | Total market value of investment | Net assets of the Fund |
| | | | | | | | | | |

DEVELOPMENT FINANCE INSTITUTIONS

| | | | | | | | | | |
|---|---|-------------------|-------------------|---|---|---|---|---|---|
| Pak Oman Investment Company Limited (AA+, VIS) | - | 3,400,000 | 3,400,000 | - | - | - | - | - | - |
| Pak Brunei Investment Company Limited (AA+, VIS) | - | 2,800,000 | 2,800,000 | - | - | - | - | - | - |
| Pak China Investment Company Limited (AAA, VIS) | - | - | - | - | - | - | - | - | - |
| Pak Libya Holding Company (Private) Limited (AA-, PACRA) | - | 3,900,000 | 3,900,000 | - | - | - | - | - | - |
| Saudi Pak Industrial & Agricultural Investment Company Limited (AA+, VIS) | - | 3,900,000 | 3,900,000 | - | - | - | - | - | - |
| Pakistan Kuwait Investment Company (Private) Limited (AAA, PACRA) | - | 990,000 | 990,000 | - | - | - | - | - | - |
| Total as at June 30, 2022 | - | 14,990,000 | 14,990,000 | - | - | - | - | - | - |
| Total - June 30, 2021 | - | - | - | - | - | - | - | - | - |

5.8 Term deposit receipts

| Name of Investee Company | Issue date | Amount placed (Rupees in '000) | | | | Rupees in '000 | | Market value as a percentage of total investments | Market value as a percentage of net assets |
|--------------------------|------------|--------------------------------|------------------------|-------------------------|---------------------|------------------------------------|----------------------------------|---|--|
| | | As at July 1, 2021 | Placed during the year | Matured during the year | As at June 30, 2022 | Carrying value as at June 30, 2022 | Market value as at June 30, 2022 | | |

COMMERCIAL BANKS

| | | | | | | | | | |
|-----------------------------------|------------------|---------|-----------|-----------|---------|---------|---|---|---|
| Bank Alfalah Limited (AA+, PACRA) | April 22, 2021 | 100,000 | - | 100,000 | - | - | - | - | - |
| Soneri Bank Limited (AA-, PACRA) | November 1, 2021 | - | 2,900,000 | 2,900,000 | - | - | - | - | - |
| Total as at June 30, 2022 | | | | | | | | | |
| Total as at June 30, 2021 | | | | | 100,000 | 100,000 | - | - | - |

5.9 Unrealised appreciation on re-measurement of investments classified as Financial assets at fair value through profit or loss

| | Note | 2022 Rupees in '000 | 2021 Rupees in '000 |
|-------------------------------|---|------------------------|------------------------|
| Market value of investments | 5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7 & 5.8 | 1,773,548 | 978,769 |
| Carrying value of investments | 5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7 & 5.8 | (1,760,229) | (974,659) |
| | | <u>13,319</u> | <u>4,110</u> |

6 INTEREST / PROFIT ACCRUED

| | | | |
|---|--|----------------|---------------|
| Interest / profit accrued on: | | | |
| Bank balances | | 149,373 | 33,381 |
| Term deposit receipts | | - | 1,473 |
| Debt securities - Term finance, Sukuk and GOP Ijarah sukuk certificates | | 33,608 | 13,340 |
| Government securities - Pakistan Investment Bonds | | 1,711 | 5 |
| | | <u>184,692</u> | <u>48,199</u> |

| | Note | 2022 ----- Rupees in '000----- | 2021 |
|---|------|-----------------------------------|----------------|
| 7 DEPOSITS AND OTHER RECEIVABLES | | | |
| Security deposit with Central Depository Company of Pakistan Limited* | | 100 | 100 |
| Security deposit with National Clearing Company of Pakistan Limited | | 2,750 | 183,182 |
| Deposit in IPS account* | | 240 | 234 |
| Security deposit with Bond Automated Trading System* | | 60,017 | 250 |
| Advance Tax | 7.1 | 12,135 | 6,019 |
| | | <u>75,242</u> | <u>189,785</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 tax on profit on bank deposit paid to the Fund was 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 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on bank balances and debt securities amounts to Rs. 12.135 (2021: 6.019) 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. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, 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 judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund on bank balances and debt securities has been shown as other receivable as at June 30, 2022 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

| 8 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY - RELATED PARTY | Note | 2022 -----Rupees in '000----- | 2021 |
|---|------|----------------------------------|---------------|
| Management fee payable | 8.1 | 2,672 | 5,107 |
| Punjab Sales Tax payable on remuneration of the Management Company | 8.2 | 3,203 | 3,603 |
| Federal Excise Duty payable on remuneration of the Management Company | 8.3 | 19,142 | 19,142 |
| Accounting and operational charges payable | 8.4 | 18,814 | 1,230 |
| Selling and marketing expenses payable | 8.5 | - | 747 |
| Sales load payable | | 21 | 73 |
| | | <u>43,852</u> | <u>29,902</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 was charging remuneration under the following rates:

| Rate applicable from July 1, 2020 to March 1, 2021 | Rate applicable from March 2, 2021 to June 30, 2021 | Rate applicable from July 1, 2021 to October 31, 2021 | Rate applicable from November 1, 2021 to June 30, 2022 |
|--|--|--|--|
| 0.2% of average daily net assets | 8% of gross earning subject to minimum floor of 0.50% of net assets p.a. and maximum cap of 1.00% of net assets p.a. | 8% of gross earning subject to minimum floor of 0.50% of net assets p.a. and maximum cap of 1.00% of net assets p.a. | 0.25% to 0.50% of average daily net assets |

- 8.2 During the year, an amount of Rs. 8.409 million (2021: Rs 4.287 million) was charged on account of sales tax on management fee levied through Punjab Sales Tax on Services Act, 2011 at the rate of 16% (2021: 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 01, 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 19.142 million is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2022 would have been higher by Re 0.015 (2021: Re 0.023) 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 currently charged such expenses at the rate of 0.6% (2021: 0.1%) of the average annual net assets of the scheme for allocation of such expenses to the Fund.

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.

During the year ended June 30, 2020, SECP through its circular 11 dated July 5, 2019 has 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 has been lifted and now the asset management company is 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 has also been removed in the revised conditions.

Accordingly, the Management Company based on its own discretion has not charged any expense (2021: 0.4%) of selling and marketing to the Fund which has also been approved by the Board of Directors of the Management Company.

| 9 | PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY | Note | 2022 | 2021 |
|---|--|------|--------------------------|------------|
| | | | -----Rupees in '000----- | |
| | Trustee fee payable | 9.1 | 803 | 540 |
| | Sindh Sales Tax payable on trustee fee | 9.2 | 104 | 70 |
| | Settlement charges payable | | - | 48 |
| | | | <u>907</u> | <u>658</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 0.075% (2021: 0.075%) 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 1.282 million (2021: Rs. 0.287 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% (2021: 13%) .

| 10 | PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN | Note | 2022 | 2021 |
|----|--|------|----------------------------|------------|
| | | | ----- Rupees in '000 ----- | |
| | Annual fee payable | 10.1 | <u>2,631</u> | <u>589</u> |

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay an annual fee to SECP at the rate of 0.02% (2021: 0.02%) of daily net assets of the fund.

| 11 ACCRUED EXPENSES AND OTHER LIABILITIES | Note | 2022 | 2021 |
|---|------|---------------|---------------|
| -----Rupees in '000----- | | | |
| Auditors' remuneration payable | | 360 | 331 |
| NCCPL charges payable | | 22 | 500 |
| Printing charges payable | | 138 | 137 |
| Legal fee payable | | - | 114 |
| Brokerage payable | | 348 | 730 |
| Provision for Sindh Workers' Welfare Fund | 11.1 | - | 4,183 |
| Withholding tax payable | | 33,412 | 14,742 |
| | | <u>34,280</u> | <u>20,737</u> |

- 11.1** The Fund made provision for SWWF from May 21, 2015 till June 30, 2017 amounting to Rs 4.183 million. The Fund has not made any provision for SWWF after July 1, 2017 as the registered office of the Management Company of the Fund had been relocated from the Province of Sindh to the Province of Punjab.

During the year, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. MUFAP in an emergent meeting held on August 13, 2021 discussed this development with its members and it has been decided by MUFAP that CISs are no longer required to retain the provision in these condensed interim financial statements and considering the nature and operation of CIS the provision should be reversed prospectively on August 13, 2021. MUFAP took up the matter for reversal of the entire provision (created during the period from May 21, 2015 to June 30, 2017) on August 13, 2021 with the SECP that gave its concurrence for prospective reversal of provision for SWWF.

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2022 and June 30, 2021.

13 INTEREST / PROFIT EARNED

| | 2022 | 2021 |
|---|------------------|----------------|
| -----Rupees in '000----- | | |
| Interest / profit on: | | |
| Savings and term deposits | 847,365 | 100,854 |
| Debt securities - Term Finance and Sukuk certificates | 157,744 | 37,069 |
| Margin Trading System | 61,769 | 29,368 |
| Letters of placement | 54,220 | 6,205 |
| Commercial Papers | 24,368 | 4,406 |
| | 1,145,466 | 177,902 |
| Amortisation of discount income on market treasury bills and Pakistan investment bonds | 228,102 | 60,019 |
| | <u>1,373,568</u> | <u>237,921</u> |

14 AUDITORS' REMUNERATION

| | | |
|--|------------|------------|
| Annual audit fee | 300 | 285 |
| Half yearly review of condensed interim financial statements | 200 | 154 |
| Sales tax | - | 22 |
| Out of pocket expenses | 94 | 50 |
| | <u>594</u> | <u>511</u> |

15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2022 is 0.86% (2021: 1.56%) which includes 0.10% (2021: 0.18%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a 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, 2022 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 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 the Trust Deed.
- 18.5** Accounting and operational charges and selling and marketing expenses 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 are as follows:

| | 2022 | 2021 |
|---|--------------------------|-----------|
| | -----Rupees in '000----- | |
| ABL Asset Management Company Limited (Management Company) | | |
| Remuneration charged | 52,620 | 26,796 |
| Punjab Sales Tax on remuneration of the Management Company | 8,409 | 4,287 |
| Accounting and operational charges | 27,379 | 2,068 |
| Selling and marketing charges | - | 3,353 |
| Issue of 20,933,789 (2021: 30,903,552) units | 211,660 | 314,577 |
| Redemption of 36,027,200 (2021: 24,568,144) units | 365,000 | 252,000 |
| Outstanding 43,623,441 (2021: 58,716,852) units | 440,492 | 592,553 |
| Central Depository Company of Pakistan Limited (Trustee) | | |
| Remuneration of the Trustee | 9,866 | 2,207 |
| Sindh Sales Tax on remuneration of the Trustee | 1,282 | 287 |
| Settlement charges incurred | 2,631 | 748 |
| Allied Bank Limited | | |
| Profit on bank deposits | 102,812 | 21,260 |
| Bank charges | 184 | 191 |
| Mark - up accrued on deposits | 2,487 | 13,717 |
| Ibrahim Holdings (Pvt) Limited | | |
| Issue of 733,736,251 (2021: 302,582,471) units | 7,435,076 | 3,130,558 |
| Redemption of 87,518,682 (2021: Nil) units | 885,000 | - |
| Outstanding 948,800,040 (2021: 302,582,471) units | 9,580,603 | 3,053,572 |
| ABL Financial Planning Fund - Conservative Allocation Plan | | |
| Issue of 1,524,244 (2021: 484,242) units | 15,414 | 4,884 |
| Redemption of 611,284 (2021: 3,817,272) units | 6,190 | 38,710 |
| Outstanding 9,829,010 (2021: 8,916,050) units | 99,249 | 89,978 |
| ABL Financial Planning Fund - Active Allocation Plan | | |
| Issue of 3,590,882 (2021: 1,512,517) units | 36,406 | 15,419 |
| Redemption of 3,776,950 (2021: 3,095,734) units | 38,315 | 31,648 |
| Outstanding 1,569,178 (2021: 1,755,246) units | 15,845 | 17,713 |

| | 2022 | 2021 |
|--|--------------------------|-----------|
| | -----Rupees in '000----- | |
| ABL Financial Planning Fund - Strategic Allocation Plan | | |
| Issue of 9,033,950 (2021: 2,502,713) units | 91,609 | 25,516 |
| Redemption of 7,837,306 (2021: 3,446,982) units | 79,505 | 35,270 |
| Outstanding 3,966,675 (2021: 2,770,031) units | 40,054 | 27,954 |
| Sefam Private Limited (Bareeze) * | | |
| Issue of Nil (2021: 234,713,265) units | - | 2,399,689 |
| Redemption of Nil (2021: 114,633,102) units | - | 1,158,597 |
| Directors and their close family members and key management personnel of the Management Company | | |
| Sheikh Mukhtar Ahmed | | |
| Issue of 3,552,094 (2021: 3,604,736) units | 35,980 | 36,469 |
| Outstanding 10,035,187 (2021: 6,483,093) units | 101,331 | 65,425 |
| Muhammad Waseem Mukhtar | | |
| Issue of 33,328,884 (2021: 79,785) units | 337,564 | 805 |
| Outstanding 35,430,738 (2021: 2,101,854) units | 357,765 | 21,211 |
| Mohammad Naem Mukhtar | | |
| Issue of 58,945 (2021: 26,979) units | 595 | 272 |
| Outstanding 769,692 (2021: 710,747) units | 7,772 | 7,173 |
| Chief Executive Officer | | |
| Issue of 88 (2021: 992,575) units | 1 | 10,236 |
| Redemption of Nil (2021: 992,575) units | - | 10,048 |
| Outstanding 88 (2021: Nil) units | 1 | - |

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

* Current year balance has not been disclosed since the person was not a connected person as at June 30, 2022.

19 FINANCIAL INSTRUMENTS BY CATEGORY

| | -----2022----- | | |
|---|--------------------------|--------------------------------------|-------------------|
| | At amortised cost | At fair value through profit or loss | Total |
| | -----Rupees in '000----- | | |
| Financial assets | | | |
| Bank balances | | | |
| Investments | | | |
| Interest / profit accrued | 10,881,270 | - | 10,881,270 |
| Deposits and other receivables | - | 1,773,548 | 1,773,548 |
| | 184,692 | - | 184,692 |
| | 63,107 | - | 63,107 |
| | <u>11,129,069</u> | <u>1,773,548</u> | <u>12,902,617</u> |
| Financial liabilities | | | |
| Payable to ABL Asset Management Company Limited - Management Company | | | |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | | | |
| Payable against redemption of units | 43,852 | | 43,852 |
| Dividend payable | 907 | | 907 |
| Accrued expenses and other liabilities | 1,043 | | 1,043 |
| | 47 | | 47 |
| | 868 | | 868 |
| | <u>46,717</u> | | <u>46,717</u> |

| | 2021 | | Total |
|--|-------------------|--------------------------------------|------------------|
| | At amortised cost | At fair value through profit or loss | |
| Financial assets | | | |
| Bank balances | | | |
| Investments | | | |
| Receivable against Margin Trading System | 5,960,065 | - | 5,960,065 |
| Receivable against sale of units | - | 978,769 | 978,769 |
| Interest / profit accrued | - | 1,356,897 | 1,356,897 |
| Deposits and other receivables | 208,520 | - | 208,520 |
| | 48,199 | - | 48,199 |
| | 183,766 | - | 183,766 |
| | <u>6,400,550</u> | <u>2,335,666</u> | <u>8,736,216</u> |

| | 2021 | | Total |
|---|-------------------|--------------------------------------|----------------|
| | At amortised cost | At fair value through profit or loss | |
| Financial liabilities | | | |
| Payable to ABL Asset Management Company Limited - Management Company | | | |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | | | |
| Payable against redemption of units | | 29,902 | 29,902 |
| Payable against purchase of investments | | 658 | 658 |
| Accrued expenses and other liabilities | | 45,189 | 45,189 |
| | | 129,032 | 129,032 |
| | | 1,812 | 1,812 |
| | | <u>206,593</u> | <u>206,593</u> |

20 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.

20.1 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, 2022, the Fund is exposed to such risk on its balances held with banks, investments in term finance and sukuk certificates, commercial papers 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 sukuks certificates and accrued mark-up on balances with banks 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. 123.784 million (2021: Rs. 67.578 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2022, the Fund holds commercial papers, Pakistan investment bonds and term deposit receipts which are classified as financial assets at fair value through profit or loss' exposing the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Markets Association of Pakistan for market treasury bills, commercial papers and with all other variables held constant, the net income for the year and net assets of the Fund would have been lower / higher by Rs 2.45 million (2021: Rs. 1.81 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, 2022 is not necessarily indicative of the \ impact on the Fund's net assets of future movements in interest rates.

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

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2022 can be determined as follows:

| 2022 | | | | | |
|---|---------------------------------------|---|--------------------|---|------------|
| 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 | 11.75% - 16.15% | 10,881,270 | - | - | 10,881,270 |
| Investments | 11.40% - 17.32% | 211,310 | 142,351 | - | 1,773,548 |
| Interest / profit accrued | | - | - | 184,692 | 184,692 |
| Deposits and other receivables | | - | - | 63,107 | 63,107 |
| | | 11,092,580 | 142,351 | 1,419,887 | 247,799 |
| | | | | | 12,902,617 |
| Financial liabilities | | | | | |
| Payable to ABL Asset Management Company Limited - Management Company | | - | - | - | 43,852 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | | - | - | - | 907 |
| Payable against redemption of units | | - | - | - | 1,043 |
| Dividend payable | | - | - | - | 47 |
| Accrued expenses and other liabilities | | - | - | - | 868 |
| | | - | - | - | 46,717 |
| | | | | | 46,717 |
| On-balance sheet gap | | 11,092,580 | 142,351 | 1,419,887 | 201,082 |
| Total interest rate sensitivity gap | | 11,092,580 | 142,351 | 1,419,887 | |
| Cumulative interest rate sensitivity gap | | 11,092,580 | 11,234,931 | 12,654,818 | |

| 2021 | | | | | |
|---|---------------------------------------|---|--------------------|---|-----------|
| Effective interest rate (%) | Exposed to yield / interest rate risk | | | Not exposed to yield / interest rate risk | Total |
| | Up to three months | More than three months and up to one year | More than one year | | |
| ----- Rupees in '000 ----- | | | | | |
| Financial assets | | | | | |
| Bank balances | 5.00% - 8.50% | 5,960,065 | - | - | 5,960,065 |
| Investments | 7.68% - 9.10% | 156,061 | 25,026 | 797,682 | - |
| Receivable against Margin Trading System | | 1,356,897 | - | - | - |
| Receivable against sale of units | | - | - | - | 208,520 |
| Interest / profit accrued | | - | - | - | 48,199 |
| Deposits and other receivables | | - | - | - | 183,766 |
| | | 7,473,023 | 25,026 | 797,682 | 440,485 |
| | | | | | 8,736,216 |
| Financial liabilities | | | | | |
| Payable to ABL Asset Management Company Limited - Management Company | | - | - | - | 29,902 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | | - | - | - | 658 |
| Payable against redemption of units | | - | - | - | 45,189 |
| Payable against purchase of investments | | - | - | - | 129,032 |
| Accrued expenses and other liabilities | | - | - | - | 1,812 |
| | | - | - | - | 206,593 |
| | | | | | 206,593 |

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

----- Rupees in '000 -----

| | | | | | |
|---|-----------|-----------|-----------|---------|-----------|
| On-balance sheet gap | 7,473,023 | 25,026 | 797,682 | 233,892 | 8,529,623 |
| Total interest rate sensitivity gap | 7,473,023 | 25,026 | 797,682 | | |
| Cumulative interest rate sensitivity gap | 7,473,023 | 7,498,049 | 8,295,731 | | |

(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, 2022.

20.2 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 settlement of equity securities and 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.

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

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

| 2022 | | | | | | |
|----------------|---|--|--|-------------------|---|-------|
| 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 instrument s with no fixed maturity | Total |

----- Rupees in '000 -----

Financial assets

| | | | | | | | |
|--|------------|--------|---------|---------|---------|--------|------------|
| Bank balances | 10,881,270 | - | - | - | - | - | 10,881,270 |
| Investments | 158,102 | 53,208 | 142,351 | 563,944 | 855,943 | - | 1,773,548 |
| Receivable against Margin Trading System | - | - | - | - | - | - | - |
| Receivable against sale of units | - | - | - | - | - | - | - |
| Interest / profit accrued | 184,692 | - | - | - | - | - | 184,692 |
| Deposits and other receivables | 240 | - | - | - | - | 62,867 | 63,107 |
| | 11,224,304 | 53,208 | 142,351 | 563,944 | 855,943 | 62,867 | 12,902,617 |



| 2022 | | | | | | |
|--|---|--|--|-------------------|--|-------------------|
| 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 | | | | | | |
| Payable to the ABL Asset Management Company Limited - Management Company | 43,852 | - | - | - | - | 43,852 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | 907 | - | - | - | - | 907 |
| Payable against redemptions of units | 1,043 | - | - | - | - | 1,043 |
| Dividend payable | 47 | - | - | - | - | 47 |
| Accrued expenses and other liabilities | 868 | - | - | - | - | 868 |
| | 46,717 | - | - | - | - | 46,717 |
| Net financial assets | 11,177,587 | 53,208 | 142,351 | 563,944 | 855,943 | 12,855,900 |
| 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 | | | | | | |
| Bank balances | 5,960,065 | - | - | - | - | 5,960,065 |
| Investments | 100,000 | 56,062 | 25,026 | 797,681 | - | 978,769 |
| Receivable against Margin Trading System | 1,356,897 | - | - | - | - | 1,356,897 |
| Receivable against sale of units | 208,520 | - | - | - | - | 208,520 |
| Interest / profit accrued | 48,199 | - | - | - | - | 48,199 |
| Deposits and other receivables | 234 | - | - | - | 183,532 | 183,766 |
| | 7,673,915 | 56,062 | 25,026 | 797,681 | - | 8,736,216 |
| Financial assets | | | | | | |
| Payable to the ABL Asset Management Company Limited - Management Company | 29,902 | - | - | - | - | 29,902 |
| Payable to the Central Depository Company of Pakistan Limited - Trustee | 658 | - | - | - | - | 658 |
| Payable against redemptions of units | 45,189 | - | - | - | - | 45,189 |
| Payable against purchase of investments | 129,032 | - | - | - | - | 129,032 |
| Accrued expenses and other liabilities | 1,812 | - | - | - | - | 1,812 |
| | 206,593 | - | - | - | - | 206,593 |
| Net financial assets | 7,467,322 | 56,062 | 25,026 | 797,681 | - | 8,529,623 |

20.3 Credit risk

20.3.1 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:

| | 2022 | | 2021 | |
|--|--|---------------------------------|--|---------------------------------|
| | Balance as per statement of assets and liabilities | Maximum exposure to credit risk | Balance as per statement of assets and liabilities | Maximum exposure to credit risk |
| Rupees in '000 | | | | |
| Bank balances | 10,881,270 | 10,881,270 | 5,960,065 | 5,960,065 |
| Investments in debt instruments | 1,773,548 | 1,639,455 | 978,769 | 797,682 |
| Receivable against Margin Trading System | - | - | 1,356,897 | 1,356,897 |
| Receivable against sale of units | - | - | 208,520 | 208,520 |
| Interest / profit accrued | 184,692 | 182,981 | 48,199 | 48,194 |
| Deposits and other receivables | 75,242 | 63,107 | 183,766 | 177,747 |
| | <u>12,914,752</u> | <u>12,766,813</u> | <u>8,736,216</u> | <u>8,549,105</u> |

The maximum exposure to credit risk as at June 30, 2022 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 from the government of Pakistan.

20.3.2 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, investments in term finance and sukuk certificates. The credit rating profile of balances with banks and term finance certificates / sukuk certificates is as follows:

| Rating | % of financial assets exposed to credit risk | |
|---|--|---------------|
| | 2022 | 2021 |
| Banks / Commercial Paper | | |
| AAA | 3.39% | 57.68% |
| AA+ | 0.49% | 1.96% |
| AA | 62.28% | 11.76% |
| A+ | - | 0.01% |
| A-1+ | 20.48% | - |
| | <u>86.64%</u> | <u>71.41%</u> |
| Rating | % of financial assets exposed to credit risk | |
| | 2022 | 2021 |
| Term Finance Certificates / Sukuk certificates | | |
| AAA | | - |
| AA+ | 0.00% | 0.84% |
| AA | 4.34% | 3.05% |
| AA- | 2.48% | 1.17% |
| A+ | 2.90% | 4.30% |
| A-1+ | 3.05% | - |
| | <u>12.77%</u> | <u>9.36%</u> |

21 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.

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 statement of assets and liabilities 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, 2022 and June 30, 2021, the Fund held the following financial instruments measured at fair values:

| -----2022----- | | | |
|---|---------|-----------|-------|
| Level 1 | Level 2 | Level 3 | Total |
| -----Rupees in '000----- | | | |
| At fair value through profit or loss | | | |
| Term finance certificates - unlisted | - | 1,441,869 | - |
| Government securities - Market Treasury Bills | - | 53,303 | - |
| Government securities - Pakistan Investment Bonds | - | 49,590 | - |
| Corporate sukuk certificates | - | 55,235 | - |
| Commercial papers* | - | 142,351 | - |
| GOP Ijarah sukuku | - | 31,200 | - |
| | | | |
| | | | |
| | | | |
| | | | |

| -----2021----- | | | |
|---|---------|---------|-------|
| Level 1 | Level 2 | Level 3 | Total |
| -----Rupees in '000----- | | | |
| At fair value through profit or loss | | | |
| Term finance certificates - unlisted | - | 797,682 | - |
| Term deposit receipts** | - | 100,000 | - |
| Government securities - Market Treasury Bills | - | 56,061 | - |
| Government securities - Pakistan Investment Bonds | - | 25,026 | - |
| | | | |
| | | | |
| | | | |
| | | | |

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

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

22 UNIT HOLDERS' FUND RISK MANAGEMENT

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

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

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

In accordance with the risk management policies as stated in note 20, the Fund endeavors 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.

23 UNIT HOLDING PATTERN OF THE FUND

| Category | -----2022----- | | | -----2021----- | | |
|--------------------------|------------------------|-------------------|---------------------|------------------------|-------------------|---------------------|
| | Number of unit holders | Investment amount | Percentage of total | Number of unit holders | Investment amount | Percentage of total |
| | (Rupees in '000) | | | (Rupees in '000) | | |
| Individuals | 1,929 | 1,335,846 | 10.41% | 1,740 | 2,354,507 | 27.65% |
| Associated companies / | | | | | | |
| Directors | 9 | 10,643,113 | 82.94% | 6 | 814,835 | 9.57% |
| Insurance Companies | 2 | 6,510 | 0.05% | 2 | 1,636 | 0.02% |
| Banks and DFIs | 1 | 1,392 | 0.01% | 30 | 770,809 | 9.05% |
| Retirement funds | 14 | 339,549 | 2.65% | 16 | 4,529,177 | 53.18% |
| Public limited companies | 18 | 395,340 | 3.08% | 6 | 45,164 | 0.53% |
| Others | 7 | 110,242 | 0.86% | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

24 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

| 2022 | | 2021 | |
|--|--------------------------|--|--------------------------|
| Name of broker | Percentage of commission | Name of broker | Percentage of commission |
| Next Capital Limited | 63.47% | Next Capital Limited | 34.03% |
| JS Global Capital Limited | 14.94% | JS Global Capital Limited | 28.53% |
| Continental Exchange (Private) Limited | 4.71% | Continental Exchange (Private) Limited | 17.05% |
| Optimus Markets (Private) Limited | 3.71% | Optimus Markets (Private) Limited | 5.91% |
| Invest One Markets Limited | 3.10% | Invest One Markets Limited | 5.28% |
| BIPL Securities Limited | 2.40% | KASB Securities Limited | 3.94% |
| Magenta Capital (Private) Limited | 2.29% | Icon Securities (Private) Limited | 2.93% |
| Vector Capital (Private) Limited | 2.21% | Arif Habib Limited | 0.82% |
| Arif Habib Limited | 1.63% | Paramount Capital (Private) Limited | 0.74% |
| BMA Capital Management Limited | 1.53% | Magenta Capital (Private) Limited | 0.34% |

25 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 (Finance) | 21 |
| Saqib Matin | CFO & Company Secretary | FCA & FPFA | 23 |
| Wajeeh Haider | Senior Manager Risk Management | M. Econ. | 10 |
| Fahad Aziz | Head of Fixed Income | MBA | 16 |
| Ali Ahmed Tiwana | Head of Equity | CIMA & CAT | 12 |
| Kamran Anwar | Fund Manager - Equity | MBA | 6 |
| Amjad Hussain | Senior Fund Manager - Equity | BS Hons. & CFA | 9 |
| M. Abdul Hayee | Head of Research | MBA & CFA | 14 |
| Abdul Rehman Tahir | Fund Manager - Fixed Income | MBA & CFA | 11 |

26 NAME AND QUALIFICATION OF THE FUND MANAGER

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

27 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 68th, 69th, 70th and 71st Board of Directors meetings were held on August 25, 2021, October 29, 2021, February 11, 2022 and April 27, 2022, 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 | 4 | - | - |
| 3 | Muhammad Waseem Mukhtar | 4 | 2 | 2 | 69th & 71st |
| 4 | Muhammad Kamran Shehzad | 4 | 4 | - | - |
| 5 | Pervaiz Iqbal Butt | 4 | 4 | - | - |
| 6 | Mr. Aizid Razzaq Gill | 4 | 4 | - | - |
| 7 | Saira Shahid Hussain | 4 | 3 | 1 | 69th |
| 8 | Alee Khalid Ghaznavi (Chief Executive Officer) | 4 | 4 | - | - |
| Other persons | | | | | |
| 9 | Saqib Matin* | 4 | 4 | - | - |

* Saqib Matin attended the meetings as the Company Secretary

28 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.

29 GENERAL

29.1 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

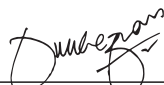
30 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on August 24, 2022.

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



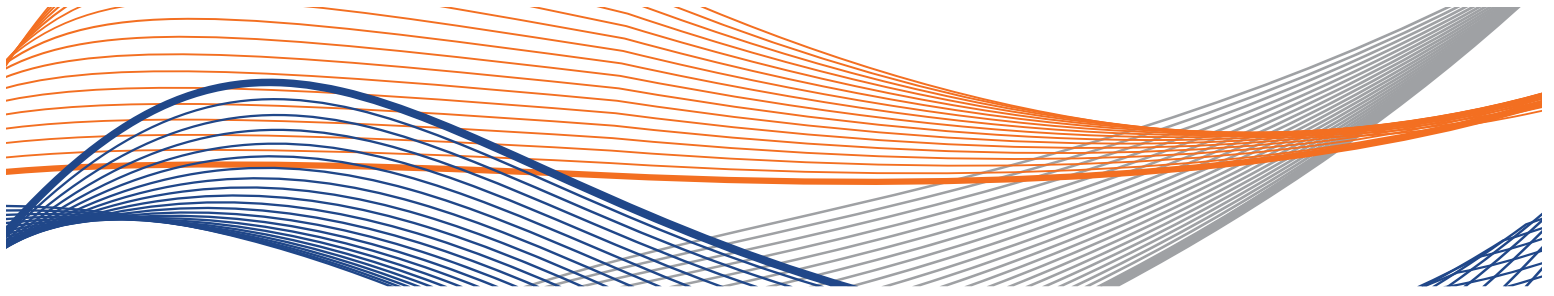
Saqib Matin
Chief Financial Officer



Alea Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

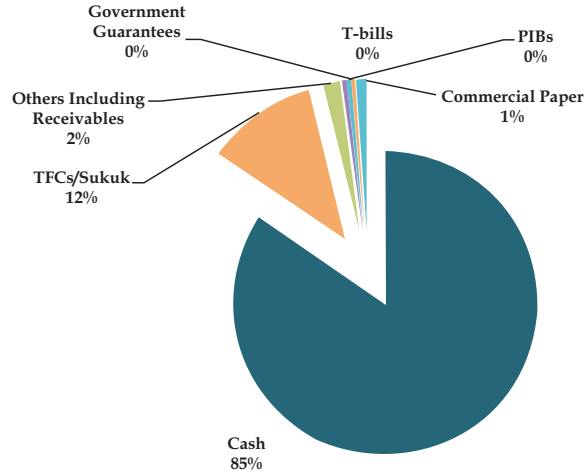


DISCLOSURE OF PROXY VOTING

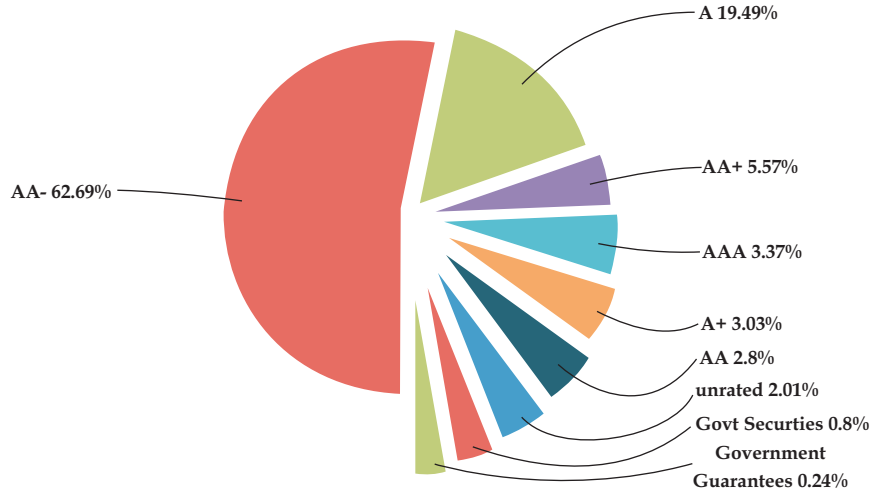
The Board of Directors of ABL Asset Management Company Limited (the Management Company of the fund) have overall responsibility for the implementation of Proxy Voting Policy and Procedures which is available on Management Company's website (www.ablamc.com). During the financial year, the Management Company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

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

Asset Allocation



CREDIT QUALITY OF PORTFOLIO (% OF TOTAL ASSETS)



اعتراف

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

بورڈ کی طرف سے اور بورڈ کے لئے

ڈائریکٹر
لاہور، 24 اگست، 2022

علی خالد غزنوی
چیف ایگزیکٹو آفیسر

ABL-IF
ABL-INCOME FUND

ABL Asset Management
Discover the potential

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 ، 2022 کو یونٹ ہولڈنگز کا پیٹرن مالیاتی گوشوارے کے نوٹ نمبر 23 میں دیا گیا ہے۔

آڈیٹر

میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹ) ، کو اے بی ایل انکم فنڈ (اے بی ایل - آئی ایف) کے لئے 30 جون 2023 کو ختم ہونے والے سال کے لئے آڈیٹر مقرر کیا گیا ہے۔

فنڈ استحکام کی درجہ بندی

18 جنوری 2022 کو: VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (VIS) نے ABL انکم فنڈ (ABL IF) کی فنڈ اسٹیبلٹی ریٹنگ (FSR) کی ((A+ (f)) (سنگل اے پلس (f)) پر دوبارہ تصدیق کی ہے۔

مینجمنٹ کمپنی کی کوالٹی کی درجہ بندی

31 دسمبر ، 2021 کو ، JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ (ABL AMC) کی 'AM-two-Double Plus' (AM2 +++) کی مینجمنٹ کوالٹی ریٹنگ کی دوبارہ تصدیق کردی ہے۔ (اے ایم ٹو پلس پلس) تفویض کردہ درجہ بندی پر آؤٹ لک 'مستحکم' ہے۔

آؤٹ لک اور اسٹریٹیجی

آگے بڑھتے ہوئے افراط زر کی بلندی پر رہنے کی توقع ہے ، اگرچہ عالمی خوراک کی قیمتیں کم ہونا شروع ہو گئی ہیں ، اس لیے ہم توقع کرتے ہیں کہ پالیسی کی شرح 15% سے 16% کی حد میں رہے گی۔ ہم امید کرتے ہیں کہ مستقبل قریب میں پیداوار کے منحنی خطوط میں الٹا برقرار رہے گا لہذا حکمت عملی یہ ہوگی کہ T-Bills کو فعال طور پر تجارت کیا جائے جبکہ پیداوار کے منحنی خطوط کے مختصر سے درمیانی مدت کے حصے کے ساتھ کسی بھی غلط قیمت کا زیادہ سے زیادہ فائدہ اٹھایا جائے۔ اس کے علاوہ یہ فنڈ 3-6 ماہ کی مدت کے ساتھ زیادہ پیداوار والے آلات میں سرمایہ کاری کرتا رہے گا اور سہ ماہی اور سال کے اختتام پر بینکوں کی طرف سے پیش کردہ خصوصی ڈیپازٹ ریٹ پر فنڈز رکھے گا۔

فیصد کی بلند ترین سطح پر پہنچ گئی۔ بڑھتے ہوئے کرنٹ اکاؤنٹ خسارے کی وجہ سے زرمبادلہ کے ذخائر پر بڑھتے ہوئے دباؤ کے نتیجے میں اسٹیٹ بینک کا فوری ردعمل سامنے آیا جس کی وجہ سے پالیسی ریٹ میں bps675 کا اضافہ ہوا اور اسے 13.75 فیصد تک لے جایا گیا اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی واقع ہوئی۔ مالی سال 22 کے دوران 30 فیصد کمی واقع ہوئی۔

مختصر مدت کے سرکاری سیکیورٹیز کی سیکنڈری مارکیٹ کی پیداوار پورے سال میں انتہائی غیر مستحکم رہی جہاں 3M T-bill کی پیداوار 7.26% سے بڑھ کر 15.23% ہو گئی، 6M T-bill کی پیداوار 7.54% سے 14.80% تک اور 12M T-bill کی پیداوار 7.60% سے بڑھ گئی۔ 14.95% پالیسی کی شرح اور ثانوی مارکیٹ کی پیداوار کے درمیان فرق bps150 سے زیادہ ہو گیا اور سال بھر مسلسل وسیع رہا۔ حکومت پاکستان نے مالی سال 22 کے دوران مجموعی طور پر PKR 16,118.8 بلین کا قرضہ حاصل کیا۔

ثانوی منڈی کی طویل مدتی سرکاری سیکیورٹیز کی پیداوار بھی غیر مستحکم رہی۔ 3Y PIB کی پیداوار 8.69% سے بڑھ کر 13.97% ہو گئی، 5Y PIB کی پیداوار 9.20% سے بڑھ کر 13.18% ہو گئی اور 10Y PIB کی پیداوار 10.40% سے بڑھ کر 13.15% ہو گئی۔ حکومت پاکستان نے مالی سال 22 کے دوران مجموعی طور پر PKR 1,685.7 بلین کا قرضہ حاصل کیا۔ سال کے دوران اسٹیٹ بینک نے مارکیٹ میں غیر یقینی صورتحال کو پرسکون کرنے کے لیے 63 دنوں کے طویل مدتی OMOs متعارف کروائے جس سے ثانوی مارکیٹ کی پیداوار کو کم کرنے میں مدد ملی۔ سال کے دوران SBP نے کل OMO 92 انجیکشن لگانے کا اعلان کیا اور مجموعی طور پر PKR 3,953.7 بلین انجیکشن لگانے۔

فنڈ کی کارکردگی

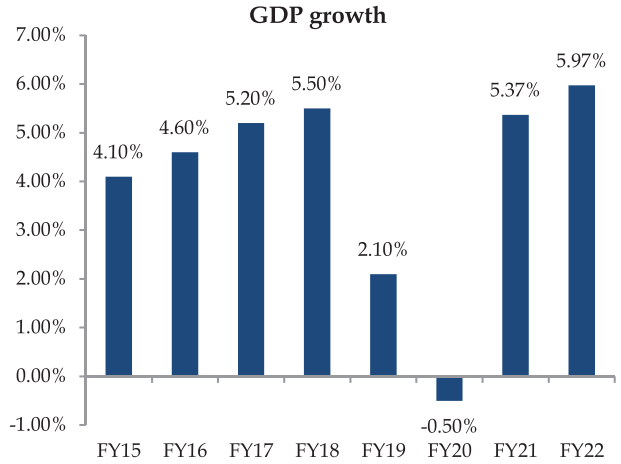
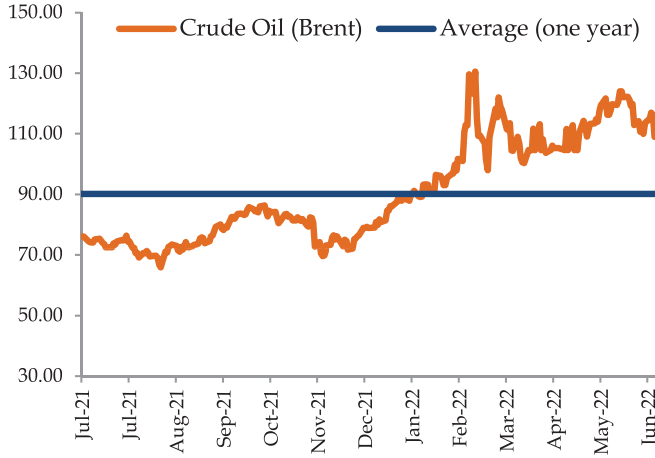
زیر نظر سال کے دوران، ABL IF نے 10.80% کے بینچ مارک ریٹرن کے مقابلے میں 9.88% کا سالانہ منافع پیدا کیا اس طرح انکم فنڈ کی کارکردگی بینچ مارک سے bps92 کم رہی۔

سال کے دوران، ABL انکم فنڈ کے خالص اثاثے 30 جون 2022 تک بڑھ کر 12,831.99 ملین PKR ہو گئے جبکہ 30 جون 2021 کو 8,516 ملین PKR تھے۔ TFCs میں 11.59% ایکسپوزر، جبکہ 84.46% فنڈز ایکسپوزر جون 21 کے آخر میں بطور نقد رکھے گئے۔

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۔
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۔

(USD/barrel)



ادائیگی کے توازن کے محاذ پر، ملک نے SPLY میں USD 1.18bn کے خسارے کے مقابلے میں USD 15.20bn کا مجموعی خسارہ پوسٹ کیا۔ اس کے پیچھے بنیادی وجہ تجارتی خسارہ تھا کیونکہ برآمدات میں 25 فیصد اضافہ ہوا جبکہ درآمدات میں 36 فیصد اضافہ ہوا اور مالی سال 22 کے دوران بالترتیب USD 36bn اور USD 76bn پر بند ہوا۔ ترسیلات زر میں 6% کا اضافہ ہو کر 31bn امریکی ڈالر تک پہنچ گیا ہے۔ اس اضافے کی وجہ حکومتی کریک ڈاؤن کی وجہ سے غیر قانونی چینلز کے ذریعے ہونے والی لین دین میں کمی کو قرار دیا جا سکتا ہے۔ 30 جون 2022 تک ملک کے زرمبادلہ کے ذخائر 9.7 بلین امریکی ڈالر تھے جو ~ 2 ماہ کا کل درآمدی احاطہ فراہم کرتے ہیں۔

مالیاتی طرف، مالی سال 22 کے دوران ٹیکس کی وصولی ~PKR 6.25tr تک پہنچ گئی ہے۔

میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ انڈسٹری کے کل اثاثہ جات زیر انتظام (AUMs) میں مالی سال 22 کے دوران 18.5 فیصد اضافہ ہوا (1073 بلین روپے سے 1274 بلین روپے تک)، بنیادی طور پر کرنسی مارکیٹ میں کافی بہاؤ اور فکسڈ انکم فنڈز بڑھنے کی وجہ سے شرح سود، بڑھتے ہوئے T-Bills اور PIBs کی پیداوار کے ساتھ ایکویٹی مارکیٹ فنڈز، بشمول روایتی اور اسلامی، میں 25 فیصد کمی دیکھی گئی جو اس مدت کو 183 بلین روپے پر بند کرتی ہے۔ اگرچہ، کل منی مارکیٹ اور فکسڈ انکم فنڈز کے AUMs بالترتیب 44% اور 21% بڑھ کر PKR 682 بلین اور PKR 298 بلین ہو گئے۔

مقصد

اے بی ایل انکم فنڈ کا مقصد پاکستان کے اندر اور باہر دونوں، مختصر، درمیانے اور طویل مدتی قرض کے آلات کے امتزاج میں سرمایہ کاری کر کے بہتر رسک ایڈجسٹ ریٹ حاصل کرنا ہے۔

منی مارکیٹ کا جائزہ

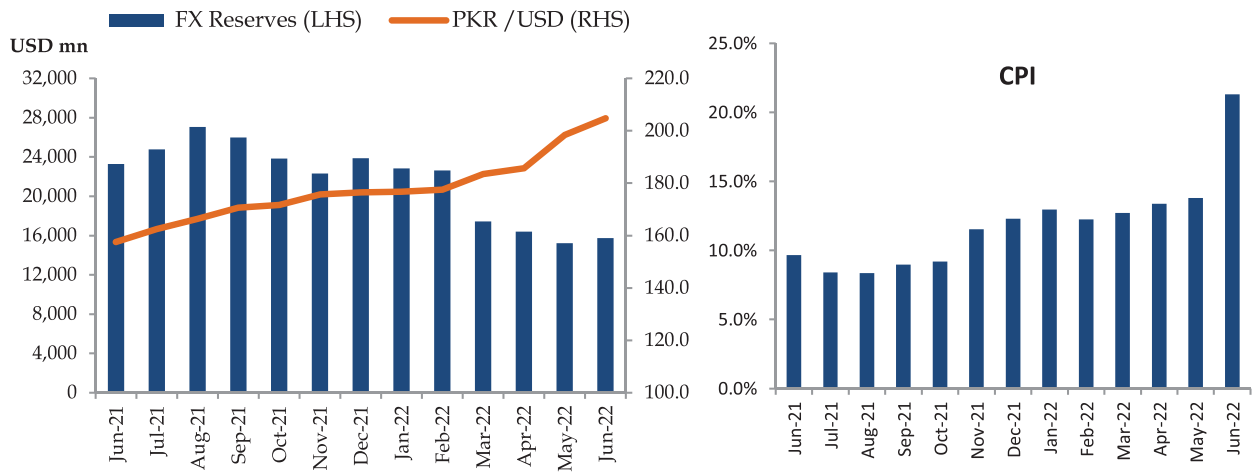
جیسا کہ معیشتیں Covid-19 سے صحت یاب ہوئیں، طلب میں اضافے نے سپلائی میں ترقی کو پیچھے چھوڑ دیا جس کے نتیجے میں قیمتوں میں زبردست اضافہ ہوا۔ روسی - یوکرائن کی جنگ نے توانائی اور اناج کی سپلائی چین کو مزید متاثر کر دیا جس سے معیشتوں کو کموٹٹی سپر سائیکل میں خام تیل کی قیمت USD 120/بیئرل پر پہنچ گئی۔ پاکستان توانائی اور اناج دونوں کا درآمد کنندہ ہونے کے ناطے بحران کے بیچ میں پھنس گیا جب جون 22 میں مہنگا ئی 21.3

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل انکم فنڈ (اے بی ایل - آئی ایف) کی انتظامیہ کمپنی، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون، 2022 کو ختم ہونے والے سال کے لئے اے بی ایل انکم فنڈ کے آڈٹ شدہ فنانشل اسٹیٹمنٹ پیش کرنے پر خوشی محسوس کرتے ہیں۔

اقتصادی کارکردگی کا جائزہ

پاکستان کی معیشت نے وبائی امراض سے نجات حاصل کی اور مالی سال 22 میں حقیقی جی ڈی پی کی شرح نمو 5.97 فیصد پوسٹ کر کے V کی شکل کی نمو کو برقرار رکھا جبکہ گزشتہ سال کی نظر ثانی شدہ GDP نمو 5.37 فیصد تھی۔ تینوں شعبوں (زراعت، خدمات اور مینوفیکچرنگ) نے ترقی کی اس رفتار میں اپنا حصہ ڈالا ہے۔ زرعی شعبے نے 4.40 فیصد کی غیر معمولی نمو دکھائی اور 3.5 فیصد کے ہدف کو عبور کیا اور گزشتہ سال 3.48 فیصد کی ترقی ہوئی۔ اس ترقی کی وجہ فصلوں کی زیادہ پیداوار، بہتر پیداواری قیمتیں اور زرعی قرضہ جات کو قرار دیا جا سکتا ہے۔ تاہم، یہ اعلیٰ نمو غیر پائیدار ہے اور اس کے نتیجے میں میکرو اکنامک عدم توازن پیدا ہوتا ہے۔ تاریخی طور پر، معیشت نے 'بوم-بسٹ' ترقی کے چکر دکھائے تھے۔ اس طرح کے غیر مستحکم ترقی کے چکروں کی وجہ میں وسیع پیمانے پر معاشی چیلنجز جیسے جڑواں خسارہ، شرح مبادلہ پر دباؤ، افراط زر، توانائی کے شعبے میں رکاوٹیں، اور نجی شعبے کے لیے معاون ماحول کی عدم موجودگی شامل ہیں۔



FY22 کے دوران، SPLY میں 8.90% YOY کے مقابلے میں اوسطا مہنگائی 12.09% YOY بڑھ گئی۔ ٹرانسپورٹ، ہاؤسنگ اور خوراک سمیت کئی شعبوں میں قیمتوں میں اضافہ دیکھا گیا۔ ہیڈ لائن افراط زر پر دباؤ کی وجہ بجلی، گیس کی قیمتوں میں ایڈجسٹمنٹ، عالمی ایندھن اور اجناس کی قیمتوں میں تیزی سے اضافے کے ساتھ شرح مبادلہ میں کمی کو قرار دیا جا سکتا ہے۔ آگے بڑھتے ہوئے ہم توقع کرتے ہیں کہ پورے سال کی افراط زر دوہرے ہندسے میں رہے گی۔ یہ مقالہ سیاسی عدم استحکام اور شرح مبادلہ میں کمی کی وجہ سے پٹرولیم کی بلند قیمتوں پر مبنی ہے۔ مالیاتی محاذ پر، اسٹیٹ بینک پاکستان (SBP) پالیسی ریٹ میں اضافہ کر کے مالیاتی سختی جاری رکھ سکتا ہے۔



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