



ISLAMIC INCOME FUND
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Annual **REPORT**



ABL Asset Management

Discover the potential

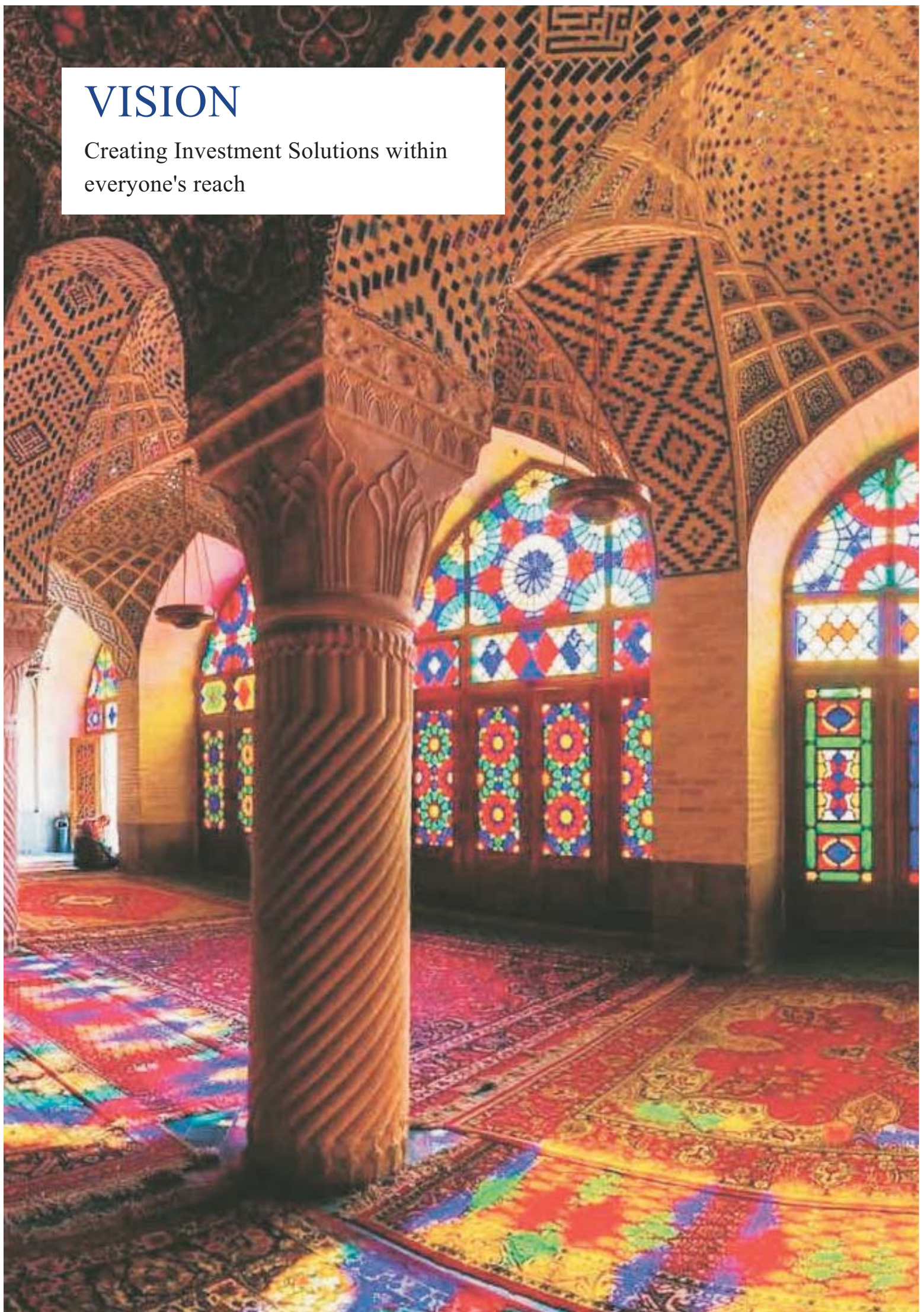


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VISION

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	
Auditor:	M/s. A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor:	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
Registrar:	ABL Asset Management Company Limited L - 48, DHA Phase - VI, Lahore - 74500	

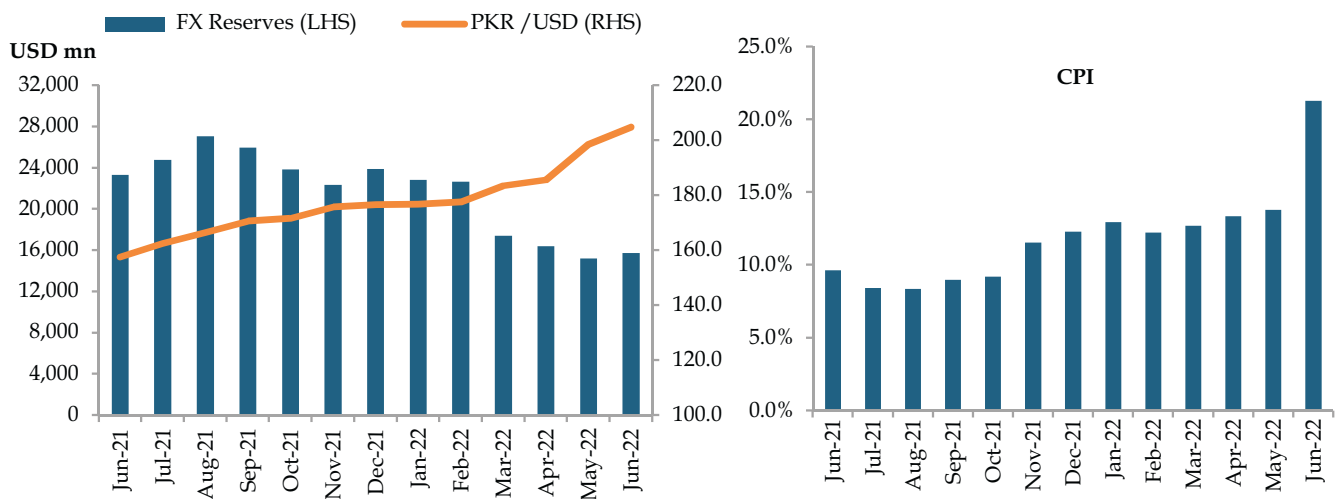


REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

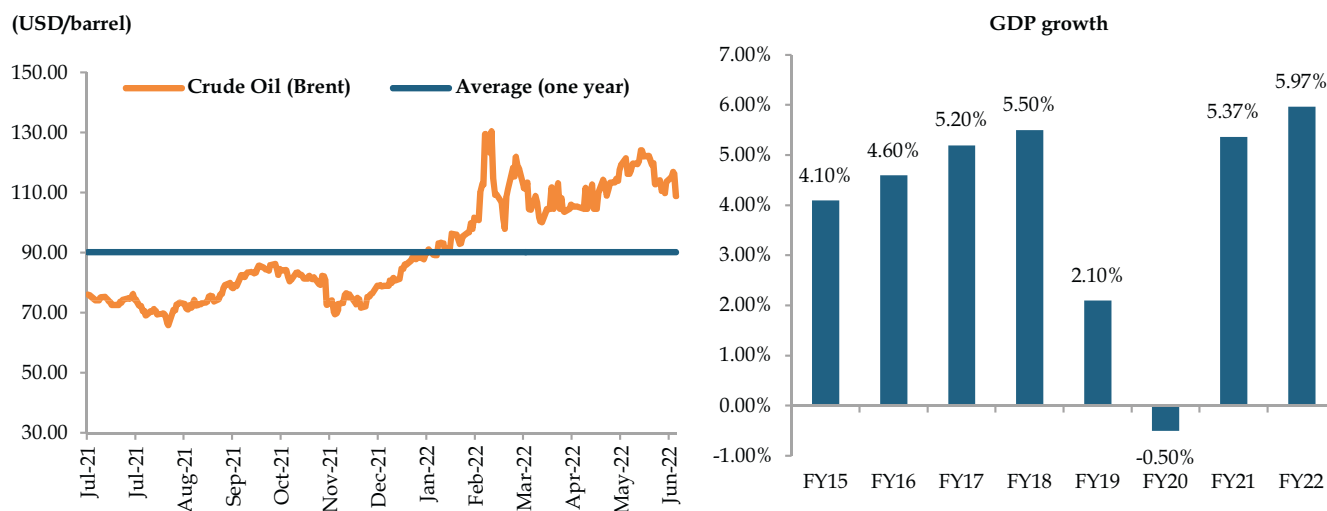
The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Islamic Income Fund (ABL-IIF), is pleased to present the Audited Financial Statements of ABL Islamic Income Fund for the year ended on June 30, 2022.

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.



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

To provide investors, with an opportunity to earn higher income over medium to long-term by investing in a diversified portfolio consisting of different Money market and debt instruments permissible under the Shariah principles.

ISLAMIC 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.

During the year GOP Ijarah Sukuks market remained active as the government ended up issuing a total of PKR 1,503.8 Billion in Variable Rate GOP Ijarah Sukuk and PKR 386 Billion in Fixed Rate GOP Ijarah Sukuk.

Secondary market yield of Fixed Rate GOP Ijarah Sukuk remained volatile and moved in tandem with the PIB yields therefore the market shifted its preference from fixed rate to variable rate instrument during the rising interest rate cycle.

During the year SBP introduced both shorter (7days) and longer tenor (63 days and 77 days) OMOs. SBP announced a total of 17 OMO injections and ended up injecting a total of PKR 427 Billion.

FUND PERFORMANCE

For the year ended FY22, ABL Islamic Income Fund posted an annualized return of 8.63%, against the benchmark return of 3.34%, thereby outperforming the benchmark by 529bps. Net assets of ABL IIF closed at PKR 3,532.28 million as at June 30 2022 as compared to PKR 4,737.57 million at June 30, 2021.

At the end of FY22, fund had 43.24% exposure as Corporate Sukuks, 1.67% exposure as Government guarantees, while 51.35% of the exposure was placed with Banks.

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. 24 of the Financial Statements.

AUDITORS

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

FUND STABILITY RATING

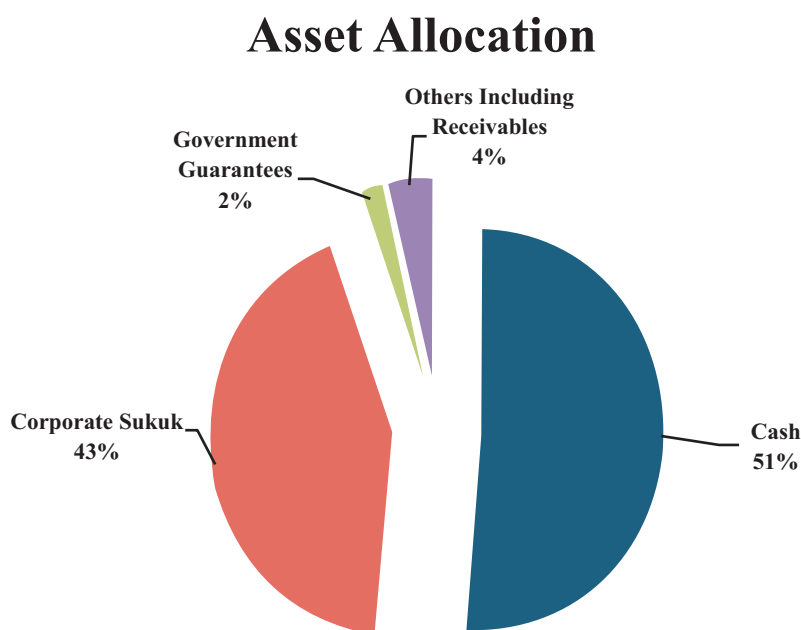
On January 18, 2022: VIS Credit Rating Company (VIS) has reaffirmed the Fund Stability Rating (FSR) of ABL Islamic Income Fund (ABL IIF) at 'A+ (f)' (Single A plus (f)).

MANAGEMENT QUALITY RATING

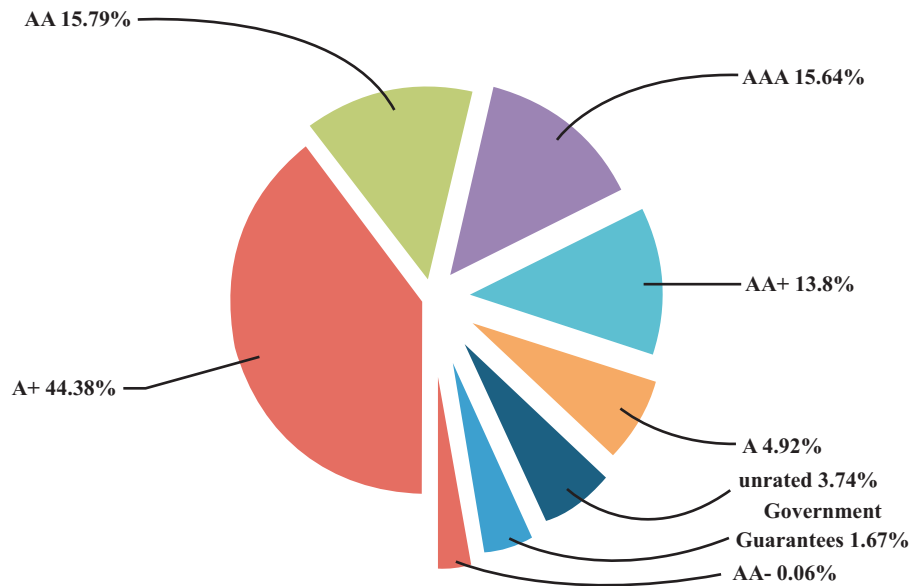
On December 31, 2021: VIS Credit Rating Company Limited (VIS) has reaffirmed the Management Quality Rating (MQR) of ABL Asset Management Company (ABL AMC) at 'AM2++' (AM-Two-Double Plus). Outlook on the assigned rating is 'Positive'.

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 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. The fund would also look for opportunities to invest in good credit quality Corporate Sukuk to book capital gains as supply of quality credit has remained limited in the market.



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

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ISLAMIC 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.

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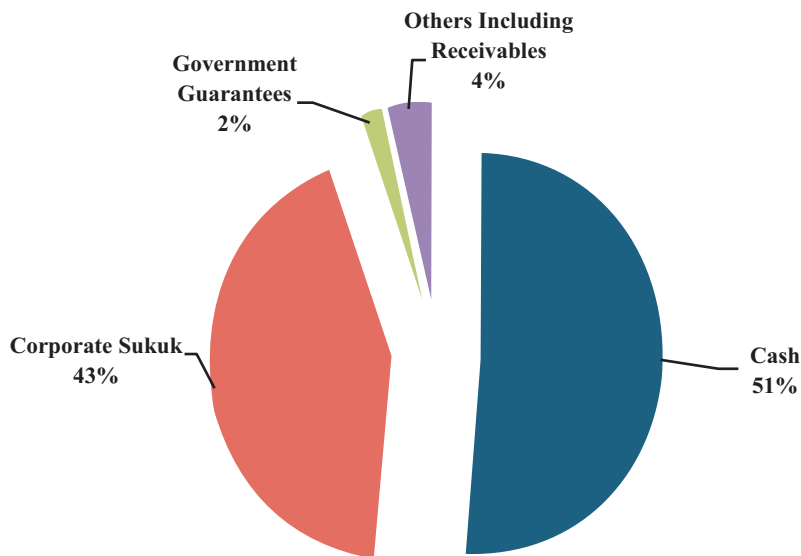
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OUTLOOK AND STRATEGY

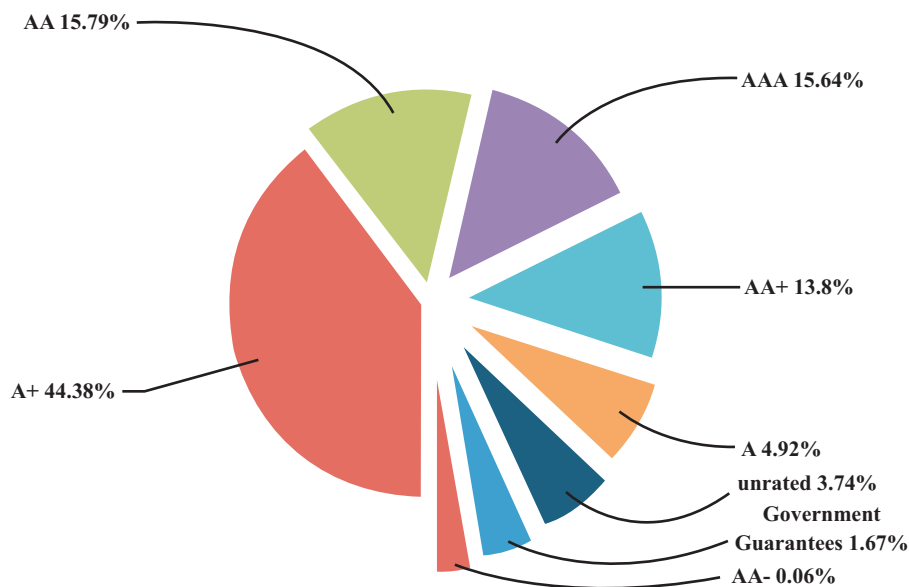
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Yield	8.63%
Average of 6 Month Deposit Rate of 3 A rated Islamic Banks	3.34%
Weighted Average Time to Maturity of Net Assets (days)	526.55
Asset under management as at June 30,2022 (PKR mn)	3,532.28
Closing NAV per unit as on June 30,2022 (PKR) (Ex-Dividend)	10.2442

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	3,532,281	4,737,569	6,141,183	3,732,590	5,019,570	3,967,785
Net Income	393,330	360,902	596,195	315,631	254,092	166,526
(Rupees per unit)						
Net Assets value	10.2442	10.2127	10.2112	10.1965	10.6100	10.1660
Interim distribution*	-	-	-	0.4270	-	-
Final distribution	0.8471	0.5854	1.1375	0.8481	-	0.4200
Final distribution date	June 24, 2022	June 27, 2021	June 26, 2020	June 26, 2019	-	June 19, 2017
Closing offer price	10.4224	10.3904	10.3889	10.3494	10.7692	10.3185
Closing repurchase price	10.2442	10.2127	10.2112	10.1965	10.6100	10.1660
Highest offer price	11.2522	10.9830	11.5312	11.1966	10.7706	10.7545
Lowest offer price	10.3920	10.3875	10.3762	10.3395	10.3186	10.1562
Highest repurchase price per unit	11.0598	10.7952	11.3340	11.0311	10.6114	10.5956
Lowest repurchase price per unit	10.2143	10.2098	10.1987	10.1867	10.1661	10.0061
Percentage						
Total return of the fund						
- capital growth	0.16%	-0.10%	-0.09%	-4.28%	4.37%	1.48%
- income distribution	8.47%	5.85%	11.38%	12.75%	0.00%	4.20%
Average return of the fund						
First Year	8.63%	5.75%	11.28%	8.47%	4.37%	5.68%
Second Year	7.44%	8.85%	10.36%	6.60%	5.15%	5.92%
Third Year	9.28%	9.22%	8.66%	6.55%	5.57%	7.18%
Fourth Year	9.67%	8.31%	8.29%	6.65%	6.72%	8.09%
Fifth Year	8.95%	8.16%	8.18%	7.52%	7.63%	8.91%
Sixth Year	8.83%	8.17%	8.86%	8.30%	8.48%	8.63%
Seventh Year	8.84%	8.85%	9.54%	9.09%	9.63%	-
Eighth Year	9.49%	9.54%	10.26%	10.20%	-	-
Ninth Year	10.17%	10.29%	11.35%	-	-	-
Tenth Year	10.92%	11.38%	-	-	-	-
Eleventh Year	12.02%	-	-	-	-	-
Since Inception	12.91%	12.24%	12.20%	11.05%	10.49%	10.90%
Weighted average Portfolio duration in days	527	399	788	592	457	573

Distribution History*

2019	
Date	Rate Re. Per Unit
July 03, 2018	0.2970
August 01, 2018	0.1300

Disclaimer

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

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

ABL ISLAMIC 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 Islamic 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 period 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



September 23, 2022



الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the Fund's investment and operational activities with respect to Shariah guidelines provided.

It is the core responsibility of the Management Company to operate the Fund and invest the amount of money in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the fund. We express our opinion based on the review of the information, provided by the management company, to an extent where compliance with the Shariah guidelines can be objectively verified.

Our review of Fund's activities is limited to enquiries of the personnel of Management Company and various documents prepared and provided by the management company.

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2022 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in ABL Islamic Income Fund (ABL-IIF) managed by ABL Asset Management Limited are halal and in accordance with Shariah principles.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

والله أعلم بالصواب، وصلى الله على نبينا محمد وعلى آله وصحبه وبارك وسلم

For and on behalf of Al-Hilal Shariah Advisors (Pvt.) Limited.



Mufti Irshad Ahmad Aijaz
Member Shariah Council



Faraz Younus Bandukda, CFA
Chief Executive

Al-Hilal Shariah Advisors (Pvt) Limited
Suite 807, 8th Floor, Horizon Towers, Com 2/6, Khayaban-e-Saadi,
Block 03 Clifton, Karachi
Tel :+92-21-35305931-37, Web: www.alhilsa.com

INDEPENDENT REASONABLE ASSURANCE REPORT TO THE UNIT HOLDERS OF ABL ISLAMIC INCOME FUND ON THE STATEMENT OF COMPLIANCE WITH THE SHARIAH PRINCIPLES

Introduction

We were engaged by the Board of Directors of **ABL Asset Management Company Limited** (the Management Company) to report on the Management Company's assessment of compliance with the Shariah Principles of **ABL Islamic Income Fund** (the Fund), as set out in the annexed Statement of Compliance with the Shariah Principles (the Statement) prepared by the Management Company for the year ended June 30, 2022, in the form of an independent reasonable assurance conclusion about whether the annexed statement reflects, in all material respects the status of compliance of the Fund with the Shariah Principles as specified in the Trust Deed and the guidelines issued by the Shariah Advisor. Our engagement was conducted by a team of assurance practitioners.

Applicable Criteria

The criteria for the assurance engagement against which the annexed Statement has been assessed comprises of the Shariah Principles as specified in the Trust Deed and the guidelines issued by the Shariah Advisor (the Shariah Principles).

Management's Responsibility for Shariah Compliance

The Management Company of the Fund is responsible for preparation of the annexed Statement that is free from material misstatement. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the annexed Statement that is free from material misstatement, whether due to fraud or error. It also includes ensuring the overall compliance of the Fund with the Shariah Principles.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The Firm applies International Standard on Quality Control (ISQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility and summary of work performed

Our responsibility is to examine the annexed Statement and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the annexed statement reflects the status of compliance of the Fund with the Shariah Principles as specified in the Trust Deed and the guidelines issued by the Shariah Advisor, in all material respects.



A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

■ KARACHI ■ LAHORE ■ ISLAMABAD



The procedures selected depend on our judgment, including the assessment of the risks of material non-compliances with the Shariah Principles, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the Fund's compliance with the Shariah Principles, in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of the Management Company's internal control over the Fund's compliance with the Shariah Principles. A system of internal control, because of its nature, may not prevent or detect all instances of non-compliance with Shariah Principles, and consequently cannot provide absolute assurance that the objective of compliance with the Shariah Principles, will be met. Also, projection of any evaluation of effectiveness to future periods is subject to the risk that the controls may become inadequate or fail.

The procedures performed primarily comprised the following:

- checking compliance of specific guidelines relating to charity, maintaining bank accounts and for making investments of the Fund.
- checking that the Shariah Advisor has certified that the operations of the Fund, its investments and placements made during the year ended June 30, 2022 are in compliance with the Shariah Principles.

We believe that the evidences we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the procedures performed during our reasonable assurance engagement, we report that in our opinion, the annexed Statement presents fairly, in all material respects, the status of the Fund's compliance with the Shariah Principles specified in the Trust Deed and in the guidelines issued by the Shariah Advisor for the year ended June 30, 2022.

A.F. Ferguson & Co.

Chartered Accountants

Dated: September 27, 2022

Karachi



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of ABL Islamic Income Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ABL Islamic Income Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2022, and the income statement, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 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. 1,841.431 million and Rs. 1,610.829 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. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

■ KARACHI ■ LAHORE ■ ISLAMABAD





Other Information

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

A.F.F. Co



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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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



A.F. Ferguson & Co.
Chartered Accountants
Karachi


Date: September 27, 2022
UDIN: AR202210061FQSjMoKaA

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


	Note	2022	2021
-----Rupees in '000'-----			
Assets			
Bank balances	4	1,841,431	1,724,814
Investments	5	1,610,829	2,950,076
Deposit and other receivables	6	60,195	53,844
Profit receivable	7	73,991	53,677
Receivable against sale of units		-	32,448
Total assets		3,586,446	4,814,859
Liabilities			
Payable to ABL Asset Management Company Limited - Management Company	8	18,820	19,835
Payable to Central Depository Company of Pakistan Limited - Trustee	9	258	383
Payable to the Securities and Exchange Commission of Pakistan	10	961	1,265
Payable against redemption of units		7,943	26,550
Dividend payable		6,593	-
Accrued expenses and other liabilities	11	19,590	29,257
Total liabilities		54,165	77,290
NET ASSETS		3,532,281	4,737,569
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		3,532,281	4,737,569
CONTINGENCIES AND COMMITMENTS	12		
-----Number of units-----			
NUMBER OF UNITS IN ISSUE		344,808,601	463,889,233
----- Rupees -----			
NET ASSET VALUE PER UNIT		10.2442	10.2127

The annexed notes from 1 to 31 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 ISLAMIC INCOME FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2022

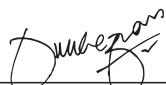
	Note	2022	2021
		-----Rupees in '000-----	
Income			
Profit earned	13	436,900	459,921
Loss on sale of investments - net		(505)	(222)
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.6	17,318	2,153
		16,813	1,931
Total income		453,713	461,852
Expenses			
Remuneration of ABL Asset Management Company Limited - Management Company	8.1	39,549	63,227
Punjab Sales Tax on remuneration of the Management Company	8.2	6,328	10,116
Accounting and operational charges	8.4	4,803	5,088
Selling and marketing expenses	8.5	7,203	10,715
Remuneration of the Central Depository Company of Pakistan - Trustee	9.1	3,603	4,742
Sindh Sales Tax on remuneration of the Trustee	9.2	468	616
Annual fees to the Securities and Exchange Commission of Pakistan	10	961	1,265
Securities transaction costs		185	2,288
Auditors' remuneration	14	536	571
Annual rating fee		261	261
Legal and professional charges		232	141
Annual listing fee		28	47
Shariah advisory fee		358	358
Printing charges		116	75
Settlement and bank charges		431	1,440
Total operating expenses		65,062	100,950
Reversal of provision for Sindh Workers' Welfare Fund	11.1	4,679	-
Net income for the year before taxation		393,330	360,902
Taxation	16	-	-
Net income for the year after taxation		393,330	360,902
Other comprehensive income for the year		-	-
Total comprehensive income for the year		393,330	360,902
Earnings per unit	17		
Allocation of net income for the year			
Net income for the year after taxation		393,330	360,902
Income already paid on units redeemed		(189,048)	(235,524)
		204,282	125,378
Accounting income available for distribution:			
- Relating to capital gains		16,813	1,931
- Excluding capital gains		187,469	123,447
		204,282	125,378

The annexed notes from 1 to 31 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



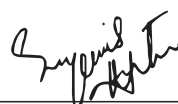
Pervaiz Iqbal Butt
Director

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

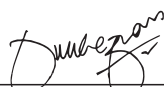
	2022			2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	Rupees in '000					
Net assets at the beginning of the year	4,407,868	94,177	4,737,569	6,033,748	107,435	6,141,183
Issue of 677,239,344 (2021: 1,919,660,805) units						
- Capital value (at net asset value per unit at the beginning of the year)	6,916,442	-	6,916,442	19,602,040	-	19,602,040
- Element of income	196,737	-	196,737	461,864	-	461,864
Total proceeds on issuance of units	7,113,179		7,113,179	20,063,904	-	20,063,904
Redemption of 796,319,976 (2021: 2,057,185,437) units						
- Capital value (at net asset value per unit at the beginning of the year)	8,132,577	-	8,132,577	21,006,332	-	21,006,332
- Element of loss	119,056	189,048	308,104	317,984	235,524	553,508
Total payments on redemption of units	8,251,633	189,048	8,440,681	21,324,316	235,524	21,559,840
Total comprehensive income for the year	-	393,330	393,330	-	360,902	360,902
Distribution for the year ended June 30, 2022						
@ Re. 0.8471 per unit on June 24, 2022	(77,901)	(193,215)	(271,116)	(129,944)	(138,636)	(268,580)
(2021: @ Re. 0.5854 per unit on June 27, 2021)						
Net assets at the end of the year	3,191,513	105,244	3,532,281	4,407,868	94,177	4,737,569
Undistributed income brought forward						
- Realised income		92,024			88,055	
- Unrealised income		2,153			19,380	
		94,177			107,435	
Accounting income available for distribution						
- Relating to capital gains		16,813			1,931	
- Excluding capital gains		187,469			123,447	
		204,282			125,378	
Distribution for the year		(193,215)			(138,636)	
Undistributed income carried forward		105,244			94,177	
Undistributed income carried forward						
- Realised income		87,926			92,024	
- Unrealised income		17,318			2,153	
		105,244			94,177	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the year			10.2127			10.2112
Net asset value per unit at the end of the year			10.2442			10.2127

The annexed notes from 1 to 31 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 ISLAMIC 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		393,330	360,902
Adjustments for:			
Profit earned	13	(436,900)	(459,921)
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.6	(17,318)	(2,153)
		(454,218)	(462,074)
Increase in assets			
Deposit and other receivables		(6,351)	(34,097)
(Decrease) / increase in liabilities			
Payable to ABL Asset Management Company Limited - Management Company		(1,015)	(4,175)
Payable to Central Depository Company of Pakistan Limited - Trustee		(125)	(53)
Payable to the Securities and Exchange Commission of Pakistan		(304)	156
Accrued expenses and other liabilities		(9,667)	(24,938)
		(11,111)	(29,010)
		(78,350)	(164,279)
Profit received		416,586	492,349
Net amount received on purchase and sale of investments		815,306	1,808,527
Net cash generated from operating activities		1,153,542	2,136,597
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from issuance and conversion of units		7,067,726	(139,489)
Payments against redemption and conversion of units		(8,459,288)	19,905,028
Dividend paid		(186,622)	(21,539,851)
Net cash used in financing activities		(1,578,184)	(1,774,312)
Net (decrease) / increase in cash and cash equivalents during the year		(424,642)	362,285
Cash and cash equivalents at the beginning of the year		2,266,073	1,903,788
Cash and cash equivalents at the end of the year	18	1,841,431	2,266,073

The annexed notes from 1 to 31 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 ISLAMIC INCOME FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Islamic Income Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on June 23, 2010 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been revised through the First Supplemental Trust Deed dated July 29, 2011 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, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth and Tenth supplements dated September 27, 2011, December 20, 2011, February 13, 2012, July 13, 2013, July 9, 2015, October 6, 2016, September 26, 2016, October 2, 2020, March 22, 2021 and June 24, 2021 respectively with the approval of the SECP. The SECP authorised constitution of the Trust Deed vide letter no. NBFC-II/DD/ABLAMC/492 dated June 11, 2010 in accordance with the requirement of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at Plot No. 14, Main Boulevard, DHA Phase 6, Lahore. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.2 The Fund has been categorised as an open ended Islamic 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 and are transferable and redeemable by surrendering them to the Fund.

1.3 The objective of the Fund is to provide investors with an opportunity to earn higher income over medium to long term by investing in money market and debt instruments permissible under the Shariah principles. 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 reaffirmed 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 is held in the name of Central Depository Company of Pakistan Limited as 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 amendments to published accounting and reporting standards would be effective from the dates mentioned below against the respective amendments:

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

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

2.3.1 There are certain other standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 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 these 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 these financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.2 and 5).

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 these 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 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.

3.2.2 Classification and subsequent measurement

Debt instruments

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

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

based on the business model of the entity.

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

3.2.3 Impairment

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

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

3.2.4 Impairment loss on debt securities

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

3.2.5 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

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

3.3.1 Classification and subsequent measurement

Financial liabilities are classified and subsequently measured at amortised cost.

3.3.2 Derecognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

3.4 Offsetting of financial assets and financial liabilities

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

3.5 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.

3.6 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.

3.7 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications 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 the 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.

3.8 Distributions to unit holders

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

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

3.9 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.

3.10 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the year in which these arise.
- Income from investments in sukuku certificates, term deposit receipts, commercial paper, bai muajjal and certificate of musharakah is recognised on an accrual basis using effective interest method.
- Profit on bank balances is recognised on an accrual basis.

3.11 Expenses

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

3.12 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of 5 years in accordance with the requirements set out in the Trust Deed of the Fund.

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.

3.14 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.

3.15 Earnings per unit

Earnings / (loss) 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.

	Note	2022	2021
		-----Rupees in '000-----	
4 BANK BALANCES			
Balances with banks in:			
Savings accounts	4.1	1,817,244	1,700,687
Current accounts	4.2	24,187	24,127
		<u>1,841,431</u>	<u>1,724,814</u>

4.1 These include a balance of Rs 497.685 million (2021: Rs 1,681.448 million) maintained with Allied Bank Limited (a related party) that carries profit at the rate of 14.25% (2021: 6.95%) per annum. Other savings accounts of the Fund carry profit rates ranging from 11.75% to 14.75% (2021: 4.00% to 6.60%) per annum.

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

5 INVESTMENTS	Note	2022	2021
		-----Rupees in '000-----	
At fair value through profit or loss			
Government securities	5.1	60,000	-
Corporate sukuk certificates	5.2	1,550,829	1,295,662
Bai muajjal receivable	5.3	-	668,694
Islamic commercial papers	5.4	-	444,461
Certificates of musharakah	5.5	-	541,259
		<u>1,610,829</u>	<u>2,950,076</u>

5.1 Government securities

Name of the security	Profit payments/ principal redemptions	Issue date	Maturity date	Profit rate	As at July 1, 2021	Purchases during the year	Sales / redemptions 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	
												Net assets of the Fund	Total market value of investment
												%	
GoP Ijarah Sukuk Certificates - XX (note 5.1.1)	Semi-annually	Deember 15, 2021	Deember 15, 2026	Weighted average 6 months T-Bills	-	12,500	-	12,500	63,978	60,000	(3,978)	1.70%	3.72%
Total as at June 30, 2022									<u>63,978</u>	<u>60,000</u>	<u>(3,978)</u>	<u>1.70%</u>	<u>3.72%</u>
Total as at June 30, 2021									-	-	-	-	-

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

5.2 Corporate sukuk certificates

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2021	Purchases during the year	Sales / redemptions 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		
											Net assets of the Fund	Total market value of investment	
											%		
COMMERCIAL BANKS													
Dubai Islamic Bank Pakistan Limited (AA-, VIS, non-traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	July 14, 2027	6 months KIBOR plus base rate of 0.5%	333	25	25	333	342,451	344,156	1,705	9.74%	21.37%	
Meezan Bank Limited (AA+, VIS, non-traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	September 22, 2026	6 months KIBOR plus base rate of 0.5%	16	1	17	-	-	-	-	-	-	
Albaraka Bank Pakistan Limited (A, VIS, non-traded) (Face value of Rs 1,000,000 per certificate)	Semi-annually	December 22, 2031	6 months KIBOR plus base rate of 1.5%	-	150	-	150	150,000	150,000	-	4.25%	9.31%	
FERTILIZER													
Fatima Fertilizer Company Limited (AA-, PACRA, non-traded) (Face value of Rs 500 per certificate)	Semi-annually	November 28, 2021	6 months KIBOR plus base rate of 1.10%	6,976	-	6,976	-	-	-	-	-	-	
POWER GENERATION & DISTRIBUTION													
K-Electric Limited (AA+, VIS, traded) (Face value of Rs 5,000 per certificate)	Quarterly	August 3, 2027	3 months KIBOR plus base rate of 1.70%	200	-	-	200	1,016	1,021	5	0.03%	0.06%	
K-Electric Limited STS IV (AA+, VIS, traded) (Face value of Rs 5,000 per certificate)	Semi-annually	September 24, 2022	6 months KIBOR plus base rate of 0.85%	-	65,000	-	65,000	325,000	325,000	-	9.20%	20.18%	
The Hub Power Company Limited (AA+, PACRA, non-traded) (Face value of Rs 75,000 per certificate)	Quarterly	August 22, 2023	3 months KIBOR plus base rate of 1.90%	5,623	930	1,570	4,983	385,085	393,196	8,111	11.13%	24.41%	
The Hub Power Company Limited (AA+, PACRA, non-traded) (Face value of Rs 100,000 per certificate)	Semi-annually	March 19, 2024	12 months KIBOR plus base rate of 1.90%	1,260	-	320	940	96,256	96,706	450	2.74%	6.00%	
CHEMICALS													
Engro Polymer and Chemicals Limited (AA, PACRA, traded) (Face value of Rs 100,000 per certificate)	Quarterly / Semi-annually	January 11, 2026	3 months KIBOR plus base rate of 0.90%	2,250	-	-	2,250	229,725	240,750	11,025	6.82%	14.95%	
Total as at June 30, 2022									<u>1,529,533</u>	<u>1,550,829</u>	<u>21,296</u>	<u>43.91%</u>	<u>96.28%</u>
Total as at June 30, 2021									<u>1,293,509</u>	<u>1,295,662</u>	<u>2,153</u>	<u>27.35%</u>	<u>43.91%</u>

5.3 Bai muajjal receivable

Name of the investee company	Maturity date	Profit rate	Total transaction price	Deferred income	Accrued profit	Carrying value
DEVELOPMENT FINANCIAL INSTITUTIONS						
Pak Oman Investment Company Limited (AA+,VIS)	August 17, 2021	7.15%	221,082	-	-	-
Pak Brunei Investment Company Limited (AA+,VIS)	August 23, 2021	7.15%	442,447	-	-	-
Pak Libya Holding Company (Private) Limited (AA+,VIS)	September 29, 2021	7.13%	248,496	-	-	-
Pak Libya Holding Company (Private) Limited (AA+,VIS)	September 29, 2021	7.13%	248,846	-	-	-
Pak Libya Holding Company (Private) Limited (AA+,VIS)	September 29, 2021	7.13%	228,938	-	-	-
Pak Kuwait Investment Company (Private) Limited (AAA, PACRA)	August 23, 2021	7.35%	98,930	-	-	-
Pak Kuwait Investment Company (Private) Limited (AAA, PACRA)	August 23, 2021	7.35%	98,630	-	-	-
Pak Kuwait Investment Company (Private) Limited (AAA, PACRA)	August 23, 2021	7.35%	146,651	-	-	-
Total as at June 30, 2022			1,734,020	-	-	-
Total as at June 30, 2021			675,336	11,807	5,165	668,694

5.4 Islamic commercial papers

Name of the security	Face value (Rupees in '000)				Rupees in '000		Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 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		
K-Electric Limited ICP-14 (A-1+, PACRA)	200,000	-	200,000	-	-	-	-	-
K-Electric Limited ICP-16 (A-1+, VIS)	250,000	500,000	750,000	-	-	-	-	-
K-Electric Limited ICP-19 (A-1+, PACRA)	-	402,000	402,000	-	-	-	-	-
K-Electric Limited ICP-20 (A-1+, VIS)	-	150,000	150,000	-	-	-	-	-
K-Electric Limited ICP-21 (A-1+, PACRA)	-	450,000	450,000	-	-	-	-	-
Lucky Electric Power Company Limited ICP-1 (A-1+, PACRA)	-	500,000	500,000	-	-	-	-	-
Total as at June 30, 2022					-	-	-	-
Total as at June 30, 2021					444,461	444,461	9.39%	15.06%

5.5 Certificates of musharakah

Name of the investee company	Maturity date	Profit rate	As at July 1, 2021	Placed during the year	Matured during the year	As at June 30, 2022	Percentage in relation to	
							Net assets of the Fund	Total market value of investment
		%	----- (Rupees in '000) -----				----- % -----	
First Habib Modaraba (AA+, PACRA)	August 30, 2021	7.25%	100,000	-	100,000	-	-	-
First Habib Modaraba (AA+, PACRA)	September 7, 2021	7.25%	266,259	-	266,259	-	-	-
First Habib Modaraba (AA+, PACRA)	September 20, 2021	7.25%	175,000	-	175,000	-	-	-
First Habib Modaraba (AA+, PACRA)	December 6, 2021	7.25%	-	45,000	45,000	-	-	-
First Habib Modaraba (AA+, PACRA)	December 16, 2021	7.25%	-	260,000	260,000	-	-	-
First Habib Modaraba (AA+, PACRA)	December 20, 2021	7.25%	-	165,000	165,000	-	-	-
First Habib Modaraba (AA+, PACRA)	January 17, 2022	11.25%	-	265,460	265,460	-	-	-
First Habib Modaraba (AA+, PACRA)	January 19, 2022	11.25%	-	168,202	168,202	-	-	-
Pak Oman Investment Company Limited (AA+, VIS)	January 24, 2022	10.00%	-	500,000	500,000	-	-	-
First Habib Modaraba (AA+, PACRA)	April 18, 2022	10.75%	-	265,460	265,460	-	-	-
First Habib Modaraba (AA+, PACRA)	April 19, 2022	10.75%	-	168,202	168,202	-	-	-
First Habib Modaraba (AA+, PACRA)	June 20, 2022	14.00%	-	215,000	215,000	-	-	-
Total as at June 30, 2022			541,259	2,052,324	2,593,583	-	-	-
Total as at June 30, 2021						541,259	11.42%	18.35%

	Note	2022	2021
-----Rupees in '000-----			
5.6 Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net			
Market value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	1,610,829	2,950,076
Less: carrying value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	1,593,511	2,947,923
		17,318	2,153

6 DEPOSIT AND OTHER RECEIVABLES

Security deposit with Central Depository Company of Pakistan Limited *

		100	100
Balance in IPS account *		48	92
Advance tax	6.1	60,047	53,652
		60,195	53,844

* a related party balance

- 6.1** As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding taxes on profit on bank deposits and other debt investments to the Fund were deducted by various withholding agents based on the interpretation issued by FBR vide letter C. No. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on bank balances and profit on debt securities amounts to Rs 60.047 million (2021: Rs 53.652 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding taxes deducted on profit received by the Fund on bank balances and debt securities have been shown as other receivable as at June 30, 2022 as, in the opinion of the management, the amount of tax deducted at source will likely be refunded.

	Note	2022	2021
-----Rupees in '000-----			
7 PROFIT RECEIVABLE			
Profit receivable on:			
Bank balances		25,769	25,464
Certificates of musharakah		-	2,107
Sukuk certificates		48,222	26,106
		73,991	53,677

8 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY - RELATED PARTY

Management fee payable	8.1	2,917	4,536
Punjab Sales Tax payable on remuneration of the Management Company	8.2	1,700	1,961
Federal Excise Duty payable on remuneration of the Management Company	8.3	8,366	8,366
Accounting and operational charges payable	8.4	2,290	-
Selling and marketing expenses payable	8.5	3,436	4,926
Sales and transfer load payable		111	46
		18,820	19,835

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

Rate applicable from July 1, 2020 to June 30, 2021	Rate applicable from July 1, 2021 to September 27, 2021	Rate applicable from September 28, 2021 to June 30, 2022
1.00% of average daily net assets	1.00% of average daily net assets	8% of gross earning subject to minimum floor of 0.40% of net assets per annum and maximum cap of 1.00% of net assets per annum.

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

8.2 During the year, an amount of Rs 6.328 million (2021: Rs 10.116 million) was charged on account of sales tax on management fee levied through the Punjab Sales Tax on Services Act, 2012 at the rate of 16% (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 8.366 million is being retained in these financial statements as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2022 would have been higher by Re 0.024 (2021: Re 0.018) 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 charged such expenses at the rate of 0.10% (2021: 0.10%) of the average annual net assets of the Fund during the year ended June 30, 2022.

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

Accordingly, the Management Company has currently charged such expenses at the rate of 0.15% (2021: 0.25%) from July 1, 2021 to June 06, 2022 which is applied to average annual net assets of the Fund. This has also been approved by the Board of Directors of the Management Company.

9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE - RELATED PARTY	Note	2022	2021
		-----Rupees in '000-----		
	Trustee fee payable	9.1	229	340
	Sindh Sales Tax payable on trustee fee	9.2	29	43
			258	383

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. 0.468 million (2021: Rs. 0.616 million) was charged on account of sales tax at the rate of 13% (2021: 13%) on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011.

10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2022	2021
		-----Rupees in '000-----		
	Annual fee payable	10.1	961	1,265

10.1 In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% (2021: 0.02%) of the daily net assets of the Fund.

	Note	2022	2021
-----Rupees in '000-----			
11 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		346	318
Printing charges payable		84	65
Brokerage fee payable		45	43
Shariah advisory fee payable		30	30
Legal and professional charges payable		-	86
Withholding tax payable		17,969	21,972
Capital gain tax payable		1,116	2,064
Provision for Sindh Workers' Welfare Fund	11.1	-	4,679
		<u>19,590</u>	<u>29,257</u>

11.1 The Fund made provision for SWWF from May 21, 2015 till June 30, 2017 amounting to Rs 4.679 million as the decision in this respect is pending to date. The Fund has not made any provision for SWWF after July 1, 2017 as the registered office of the Management Company of the Fund has been relocated from the Province of Sindh to the Province of Punjab.

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 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.

	2022	2021
-----Rupees in '000-----		
13 PROFIT EARNED		
Profit earned on:		
Savings accounts	191,873	171,832
Term deposit receipts	-	20,925
Islamic commercial papers	49,549	16,725
Bai muajjal	50,594	18,037
Certificates of musharakah	5,665	25,700
Corporate sukuk certificates	139,219	206,702
	<u>436,900</u>	<u>459,921</u>

14 AUDITORS' REMUNERATION

Annual audit fee	300	295
Half yearly review of condensed interim financial information	180	170
Fee for other certifications	-	44
Out of pocket expenses	56	62
	<u>536</u>	<u>571</u>

15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2022 is 1.36% (2021: 1.60%) which includes 0.16% (2021: 0.19%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Income Scheme'.

16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 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.

	Note	2022	2021
-----Rupees in '000-----			
18 CASH AND CASH EQUIVALENTS			
Bank balances	4	1,841,431	1,724,814
Certificates of musharakah (with original maturity of three months or less)	5	-	541,259
		<u>1,841,431</u>	<u>2,266,073</u>

19 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 19.1** 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.
- 19.2** 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.
- 19.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008.
- 19.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 19.5** 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.
- 19.6** The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

	2022	2021
-----'Rupees in '000-----		
ABL Asset Management Company Limited - Management Company		
Remuneration of the Management Company	39,549	63,227
Punjab Sales Tax on remuneration of the Management Company	6,328	10,116
Accounting and operational charges	4,803	5,088
Selling and marketing expenses	7,203	10,715
Issue of 24,349 (2021: 7,289,627) units	251	74,979
Redemption of 24,349 units (2021: 7,289,627) units	263	75,983
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	3,603	4,742
Sindh Sales Tax on remuneration of the Trustee	468	616
Settlement charges incurred	188	921
Allied Bank Limited		
Profit on savings account	66,778	63,672
Bank charges	218	459
Profit receivable on savings account	3,680	13,857
ABL Islamic Financial Planning Fund - Active Allocation Plan		
Issue of 9,553,429 (2021: 16,178,278) units	98,500	171,792
Redemption of 14,406,397 units (2021: 8,302,346) units	152,725	88,318
Outstanding 7,910,536 (2021: 12,763,505) units	81,037	130,350
ABL Islamic Financial Planning Fund - Conservative Allocation Plan		
Issue of 271,682 (2021: 208,071) units	2,358	2,125
Redemption of 562,062 units (2021: 1,539,015) units	6,100	16,281
Outstanding 3,547,105 (2021: 3,837,485) units	36,337	39,191

	2022	2021
	-----'Rupees in '000-----	
ABL Islamic Financial Planning Fund - Aggressive Allocation Plan		
Issue of 194,962 (2021: 195,248) units	2,012	2,093
Redemption of 423,819 units (2021: 1,817,046) units	4,453	19,066
Outstanding 16,584 (2021: 245,440) units	170	2,507
ABL Islamic Financial Planning Fund - Strategic Allocation Plan I		
Issue of 4,985,234 (2021: 6,380,233) units	51,687	66,923
Redemption of 10,055,225 units (2021: 4,857,051) units	105,690	51,036
Outstanding 734,043 (2021: 5,804,034) units	7,520	59,275
ABL Islamic Financial Planning Fund - Strategic Allocation Plan III		
Issue of 1,068,380 (2021: 1,029,687) units	11,026	10,895
Redemption of 1,278,935 units (2021: 1,075,460) units	13,325	11,275
Outstanding 754,622 (2021: 965,176) units	7,730	9,857
ABL Islamic Financial Planning Fund - Capital Preservation Plan I		
Issue of 5,926,255 (2021: 8,570,492) units	1,738,058	89,595
Redemption of 101,294,729 units (2021: 23,729,358) units	1,061,126	251,035
Outstanding 76,690,311 (2021: 8,299,978) units	785,631	84,765
ABL Islamic Financial Planning Fund - Capital Preservation Plan II		
Issue of 70,089,971 (2021: nil) units	731,851	-
Redemption of 28,540,235 units (2021: nil) units	304,785	-
Outstanding 41,549,736 (2021: nil) units	425,644	-
Hamdard Laboratories (Waqf) Pakistan *		
Issue of nil (2021: 2,330,816) units	-	23,800
Redemption of 50,162,226 (2021: 15,764,130) units	-	165,000
Outstanding nil (2021: 50,162,226) units	-	512,292

Directors and key management personnel of the Management Company

Azid Razzaq Gill

Issue of 289 (2021: 211,870) units	3	2,182
Redemption of 19,504 units (2021: 191,871) units	200	1,575
Outstanding 784 (2021: 19,999) units	8	204

Chief Financial Officer **

Issue of 2,391 (2021: 24) units	25	-
Redemption of nil units (2021: 260,191) units	-	2,675
Outstanding 2,414 (2021: 24) units	25	-

* Current year figure has not been presented as the person is not classified as a related party / connected person of the Fund as at June 30, 2022.

** Nil figures due to rounding off difference.

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

20 FINANCIAL INSTRUMENTS BY CATEGORY

	-----2022-----		
	At amortised cost	At fair value through profit or loss	Total
	-----Rupees in '000-----		
Financial assets			
Bank balances	1,841,431	-	1,841,431
Investments	-	1,610,829	1,610,829
Deposit and other receivable	148	-	148
Profit receivable	73,991	-	73,991
	<u>1,915,570</u>	<u>1,610,829</u>	<u>3,526,399</u>

	-----2022-----	
	At amortised cost	Total
	----- Rupees in '000 -----	
Financial liabilities		
Payable to ABL Asset Management Company Limited - Management Company	18,820	18,820
Payable to Central Depository Company of Pakistan Limited - Trustee	258	258
Payable against redemption of units	7,943	7,943
Dividend payable	6,593	6,593
Accrued expenses and other liabilities	505	505
	<u>34,119</u>	<u>34,119</u>

	-----2021-----		
	At amortised cost	At fair value through profit or loss	Total
	----- Rupees in '000 -----		
Financial assets			
Bank balances	1,724,814	-	1,724,814
Investments	-	2,950,076	2,950,076
Deposit and other receivable	192	-	192
Profit receivable	53,677	-	53,677
Receivable against sale of units	32,448	-	32,448
	<u>1,811,131</u>	<u>2,950,076</u>	<u>4,761,207</u>

	-----2021-----	
	At amortised cost	Total
	----- Rupees in '000 -----	
Financial liabilities		
Payable to ABL Asset Management Company Limited - Management Company	19,835	19,835
Payable to Central Depository Company of Pakistan Limited - Trustee	383	383
Payable against redemption of units	26,550	26,550
Accrued expenses and other liabilities	542	542
	<u>47,310</u>	<u>47,310</u>

21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

21.1 Market risk

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

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

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

(i) Yield / profit rate risk

Yield / profit 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 bank balances, GOP ijara sukuk certificates and corporate sukuk certificates. 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 balances with bank balances, GOP ijara sukuk certificates and KIBOR based sukuk certificates which expose the Fund to cash flow profit 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. 34.408 million (2021: Rs. 35.376 million).

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

As at June 30, 2022, the Fund did not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Markets Association of Pakistan 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. nil (2021: Rs. 11.132 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 / profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

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

2022						
Effective profit rate (%)	Exposed to yield / profit 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% - 14.75%	1,817,244	-	-	24,187	1,841,431
Investments	7.90% - 16.93%	1,400,829	210,000	-	-	1,610,829
Deposit and other receivable		-	-	-	148	148
Profit receivable		-	-	-	73,991	73,991
		3,218,073	210,000	-	98,326	3,526,399
Financial liabilities						
Payable to ABL Asset Management Company Limited - Management Company		-	-	-	18,820	18,820
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	258	258
Payable against redemption of units		-	-	-	7,943	7,943
Dividend payable		-	-	-	6,593	6,593
Accrued expenses and other liabilities		-	-	-	505	505
		-	-	-	34,119	34,119
On-balance sheet gap		3,218,073	210,000	-	64,207	3,492,280
Total interest rate sensitivity gap		3,218,073	210,000	-		
Cumulative interest rate sensitivity gap		3,218,073	3,428,073	3,428,073		

-2021-					
Effective profit rate (%)	Exposed to yield / profit 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	4.00% - 6.95%	1,700,687	-	-	24,127	1,724,814
Investments	6.90% - 10.13%	2,817,553	132,523	-	-	2,950,076
Deposit and other receivable		-	-	-	192	192
Profit receivable		-	-	-	53,677	53,677
Receivable against sale of units		-	-	-	32,448	32,448
		4,518,240	132,523	-	110,444	4,761,207

Financial liabilities

Payable to ABL Asset Management Company Limited - Management Company		-	-	-	19,835	19,835
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	383	383
Payable against redemption of units		-	-	-	26,550	26,550
Accrued expenses and other liabilities		-	-	-	542	542
		-	-	-	47,310	47,310

On-balance sheet gap

	4,518,240	132,523	-	63,134	4,713,897
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Total interest rate sensitivity gap

	4,518,240	132,523	-
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Cumulative interest rate sensitivity gap

	4,518,240	4,650,763	4,650,763
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(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.

21.2 Liquidity risk

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

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

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

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

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, liabilities that are payable on demand 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 instruments with no fixed maturity	Total

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

Financial assets

Bank balances	1,841,431	-	-	-	-	-	1,841,431
Investments	-	325,000	393,196	397,456	495,177	-	1,610,829
Deposit and other receivable	48	-	-	-	-	100	148
Profit receivable	73,991	-	-	-	-	-	73,991
	1,915,470	325,000	393,196	397,456	495,177	100	3,526,399

Financial liabilities

Payable to ABL Asset Management Limited - Management Company	18,820	-	-	-	-	-	18,820
Payable to Central Depository Company Limited - Trustee	258	-	-	-	-	-	258
Payable against redemption of units	7,943	-	-	-	-	-	7,943
Dividend payable	6,593	-	-	-	-	-	6,593
Accrued expenses and other liabilities	159	346	-	-	-	-	505
	33,773	346	-	-	-	-	34,119

Net financial assets

	1,881,697	324,654	393,196	397,456	495,177	100	3,492,280
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-----2021-----						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total

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

Financial assets

Bank balances	1,724,814	-	-	-	-	-	1,724,814
Investments	-	1,654,414	146,878	789,647	359,137	-	2,950,076
Deposit and other receivable	92	-	-	-	-	100	192
Profit receivable	53,677	-	-	-	-	-	53,677
Receivable against sale of units	32,448	-	-	-	-	-	32,448
	1,811,031	1,654,414	146,878	789,647	359,137	100	4,761,207

Financial liabilities

Payable to ABL Asset Management Limited - Management Company	19,835	-	-	-	-	-	19,835
Payable to Central Depository Company Limited - Trustee	383	-	-	-	-	-	383
Payable against redemption of units	26,550	-	-	-	-	-	26,550
Accrued expenses and other liabilities	224	318	-	-	-	-	542
	46,992	318	-	-	-	-	47,310

Net financial assets

	1,764,039	1,654,096	146,878	789,647	359,137	100	4,713,897
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21.3 Credit risk

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

	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		Rupees in '000	
Bank balances	1,841,431	1,841,431	1,724,814	1,724,814
Investments	1,610,829	1,550,829	2,950,076	2,950,076
Deposit and other receivable	60,195	148	192	192
Profit receivable	73,991	73,991	53,677	53,677
Receivable against sale of units	-	-	32,448	32,448
	<u>3,586,446</u>	<u>3,466,399</u>	<u>4,761,207</u>	<u>4,761,207</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.

21.3.2 Credit quality of financial assets

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

Rating	% of financial assets exposed to credit risk	
	2022	2021
Bank balances		
AAA	16.18%	35.44%
AA+	0.12%	0.10%
A+	36.12%	0.05%
AA	0.05%	0.05%
AA-	0.03%	-
A	0.63%	0.21%
Sukuk certificates		
AA+	23.54%	15.16%
AA	6.95%	4.85%
AA-	9.93%	7.43%
A	4.33%	-
Islamic commercial papers		
A-1+	-	9.23%
Bai muajjal receivable		
AA+	-	13.89%
Certificates of musharakah		
AA+	-	11.29%
	<u>97.88%</u>	<u>97.70%</u>

22 FAIR VALUE MEASUREMENT

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

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the 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
At fair value through profit or loss	Rupees in '000			
Corporate sukuk certificates	-	1,550,829	-	1,550,829
Government securities	-	60,000	-	60,000
	-	1,610,829	-	1,610,829

	2021			
	Level 1	Level 2	Level 3	Total
At fair value through profit or loss	Rupees in '000			
Corporate sukuk certificates	-	1,295,662	-	1,295,662
Islamic commercial papers *	-	444,461	-	444,461
Bai muajjal receivable *	-	668,694	-	668,694
Certificates of musharakah **	-	541,259	-	541,259
	-	2,950,076	-	2,950,076

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

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

23 UNIT HOLDERS' FUND RISK MANAGEMENT

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

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

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

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

24 UNIT HOLDING PATTERN OF THE FUND

Category	2022			2021		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Individuals	2,605	1,391,386	39.39%	2,333	1,858,310	39.22%
Associated companies and directors	9	1,344,102	38.05%	6	325,945	6.88%
Insurance companies	7	193,718	5.48%	10	813,175	17.17%
Retirement funds	27	517,666	14.66%	29	935,555	19.75%
Public limited companies	9	24,601	0.70%	9	235,451	4.97%
Others	16	60,808	1.72%	15	569,133	12.01%
	2,673	3,532,281	100.00%	2,402	4,737,569	100.00%

25 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2022		2021	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Next Capital Limited	69.49%	JS Global Capital Limited	76.50%
BIPL Securities Limited	25.14%	Next Capital Limited	13.71%
Vector Capital (Private) Limited	5.17%	KASB Securities Limited	4.75%
Bright Capital (Private) Limited	0.20%	C & M Management (Private) Limited	2.50%
		Elixir Securities Pakistan (Private) Limited	
		Paramount Capital (Private) Limited	1.16%
		Arif Habib Limited	0.03%
		Invest One Markets Limited	0.03%
		Magenta Capital (Private) Limited	0.02%
		Vector Capital (Private) Limited	0.02%

25.1 The Fund has traded with only the above mentioned 4 brokers / dealers during the year ended June 30, 2022 (2021: 10 brokers / dealers).

26 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Name	Designation	Qualification	Overall experience (in years)
Alee Khalid Ghaznavi	Chief Executive Officer	MBA (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

27 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Abdul Rehman Tahir	Fund Manager - Fixed Income	MBA & CFA	ABL Islamic Asset Allocation Fund and ABL Islamic Cash Fund

28 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

29 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.

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.

31 GENERAL

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

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer

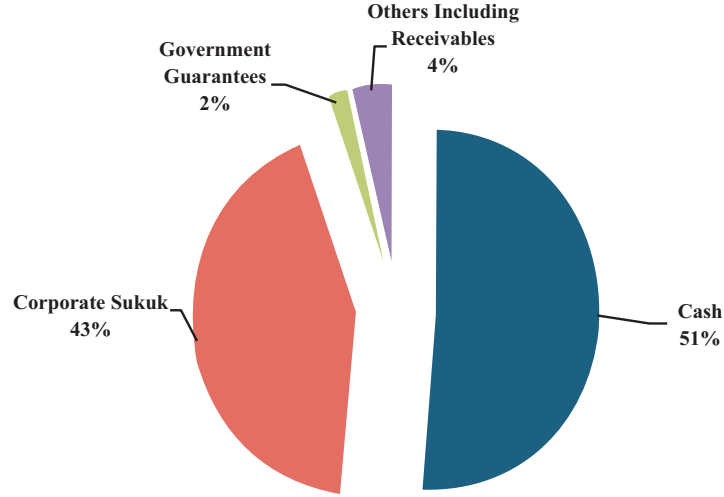


Alee Khalid Ghaznavi
Chief Executive Officer

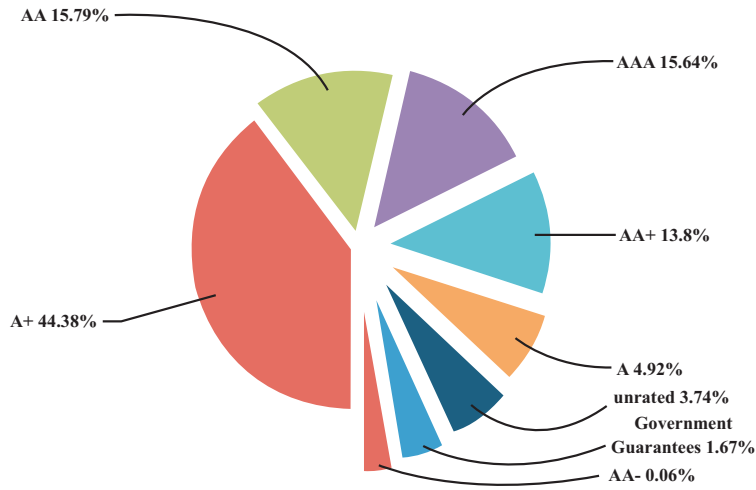


Pervaiz Iqbal Butt
Director

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

ABLIF
ABL Islamic Income Fund



علی خالد غزنوی
چیف ایگزیکٹو آفیسر

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 ، ڈیویڈنڈوں ، 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 24 میں دیا گیا ہے۔

آڈیٹر

میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) ، کو اے بی ایل اسلامک انکم فنڈ (اے بی ایل - آئی ایف) کے لئے 30 جون 2022 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 نے ABL اسلامک انکم فنڈ (ABL IIF) کی فنڈ اسٹیبلٹی ریٹنگ (FSR) کی (A+ (f) (سنگل اے پلس (f)) پر دوبارہ تصدیق کی ہے۔

مینجمنٹ کمپنی کی کوالیٹی 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 (AM2 ++ (AM-two-Double Plus) کی مینجمنٹ کوالٹی ریٹنگ کی 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 3-6 ماہ کی مدت کے ساتھ زیادہ پیداوار والے آلات میں سرمایہ کاری جاری رکھی جائے اور سہ ماہی اور سال کے اختتام پر بینکوں کی طرف سے پیش کردہ خصوصی ڈپازٹ ریٹ پر فنڈز رکھیں۔ یہ فنڈ اچھے کریڈٹ کوالٹی کارپوریٹ سکوک میں سرمایہ کاری کرنے کے مواقع بھی تلاش کرے گا تاکہ کیپیٹل گین بک ہو کیونکہ مارکیٹ میں معیاری کریڈٹ کی فراہمی محدود ہے۔

پاکستان توانائی اور اناج دونوں کا درآمد کنندہ ہونے کے ناطے بحران کے بیچ میں پھنس گیا جب جون 22 میں مہنگائی 21.3 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 675bps 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۔

سال کے دوران جی او پی اجارہ سکوک مارکیٹ فعال رہی کیونکہ حکومت نے کل PKR 1,503.8 بلین متغیر ریٹ جی او پی اجارہ سکوک اور PKR 386 بلین فکسڈ ریٹ جی او پی اجارہ سکوک جاری کیا۔

فکسڈ ریٹ جی او پی اجارہ سکوک کی ثانوی مارکیٹ کی پیداوار غیر مستحکم رہی اور PIB کی پیداوار کے ساتھ مل کر آگے بڑھی اس لیے مارکیٹ نے شرح سود میں اضافے کے دوران اپنی ترجیح کو مقررہ شرح سے متغیر شرح کے آلے کی طرف منتقل کر دیا۔

سال کے دوران اسٹیٹ بینک نے چھوٹے (7 دن) اور طویل مدت (63 دن اور 77 دن) دونوں OMO متعارف کرائے ہیں۔ SBP نے کل 17 OMO انجیکشنز کا اعلان کیا اور کل PKR 427 بلین انجیکشن لگائے۔

فنڈ کی کارکردگی

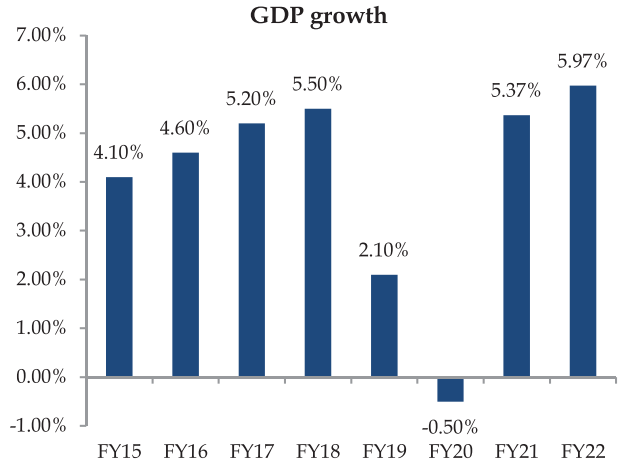
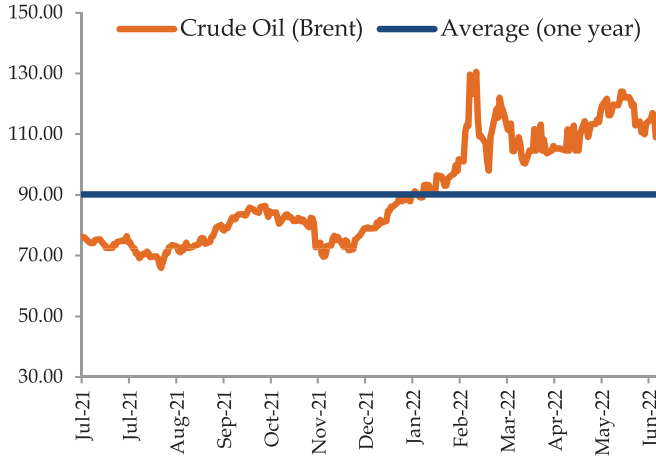
مالی سال 22 کو ختم ہونے والے سال کے لیے، ABL اسلامک انکم فنڈ نے 3.34% کے بینچ مارک ریٹرن کے مقابلے میں 8.63% کا سالانہ ریٹرن پوسٹ کیا، اس طرح بینچ مارک سے 529bps تک بہتر کارکردگی کا مظاہرہ کیا۔ ABL IIF کے خالص اثاثے 30 جون 2021 کو PKR 4,737.57 ملین کے مقابلے میں 30 جون 2022 تک PKR 3,532.28 ملین پر بند ہوئے۔

مالی سال 22 کے اختتام پر، فنڈ میں کارپوریٹ سکوک کے طور پر 43.24 فیصد، حکومت کی ضمانت کے طور پر 1.67 فیصد ایکسپوزر، جبکہ 51.35 فیصد ایکسپوزر بینکوں کے پاس تھا۔

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 682 بلین اور 298 بلین روپے ہو گئے۔

مقصد

شرعی اصولوں کے تحت مختلف منی مارکیٹ اور قرض کے آلات پر مشتمل متنوع پورٹ فولیو میں سرمایہ کاری کر کے سرمایہ کاروں کو درمیانی مدت سے طویل مدت تک زیادہ آمدنی حاصل کرنے کا موقع فراہم کرنا۔

اسلامی منی مارکیٹ کا جائزہ

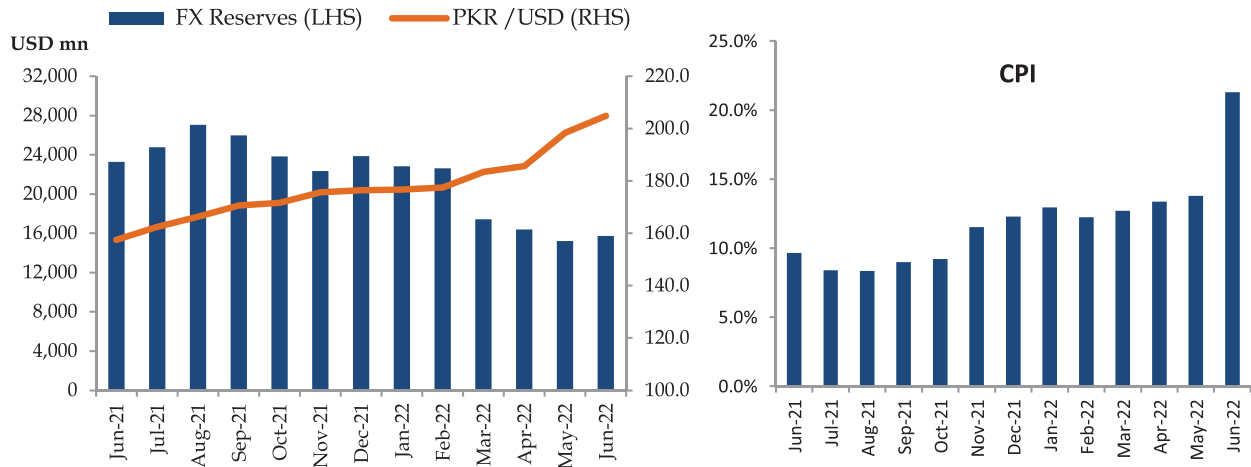
جیسا کہ معیشتیں Covid-19 سے صحت یاب ہوئیں، طلب میں اضافے نے سپلائی میں ترقی کو پیچھے چھوڑ دیا جس کے نتیجے میں قیمتوں میں زبردست اضافہ ہوا۔ روس اور یوکرائن کی جنگ نے توانائی اور اناج کی سپلائی چین کو مزید متاثر کر دیا جس سے معیشتوں کو کموڈٹی سپر سائیکل میں خام تیل کی قیمت USD 120/بیئرل پر پہنچ گئی۔

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل اسلامک انکم فنڈ (اے بی ایل - IIF) 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 اسلامک 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 'ہوم-بست' 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 اوسط 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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