



ABL Cash Fund

Annual Report

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

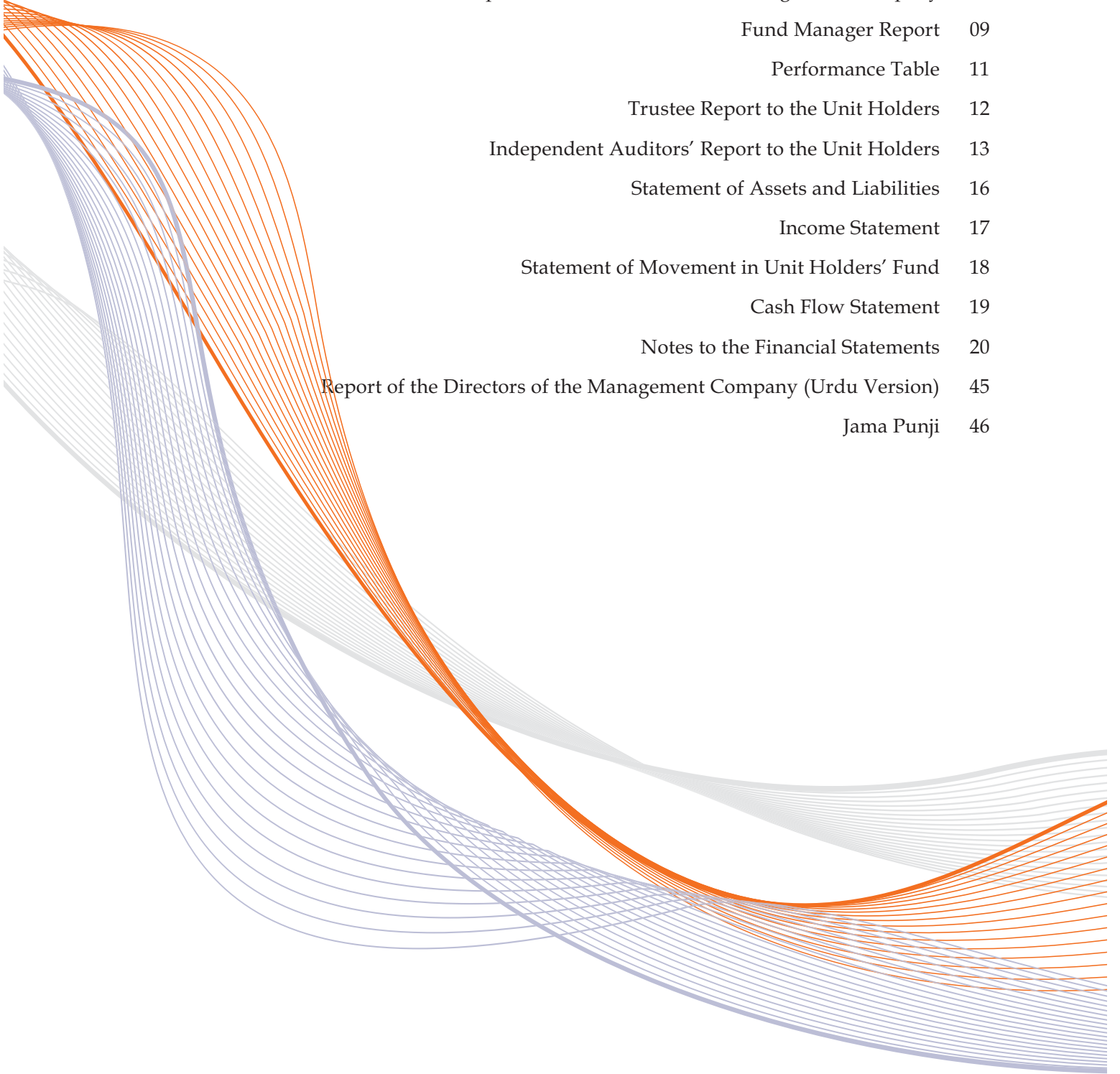


ABL Asset Management

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.

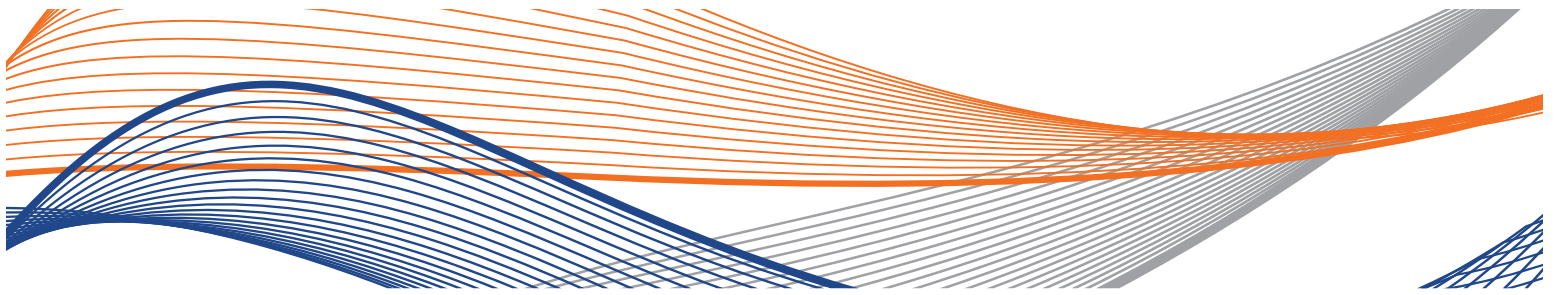
To set the highest industry standards in terms of product ranges and innovations, in order to offer products for clients of all demographics. To adhere to the highest industry standard for integrity and quality across all the spheres of the company.

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 Assel 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. Tahir Hassan Qureshi Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad Mr. Alee Khalid Ghaznavi	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director CEO/ 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. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi Mr. Muhammad Kamran Shehzad	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 Shehzad	
Trustee:	Central Depository Company of Pakistan Limited CDC-House, Shahrah-e-Faisal, Karachi	
Bankers to the Fund:	Allied Bank Limited Bank Al-Falah Limited United Bank Limited Habib 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, Defence Phase - VI, Lahore - 74500	

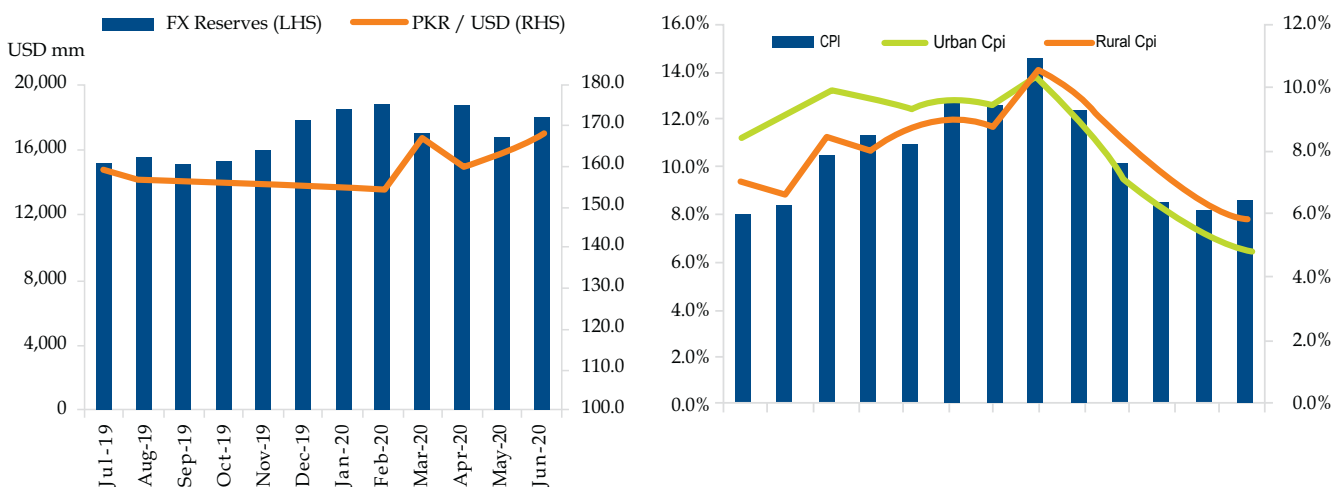


REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

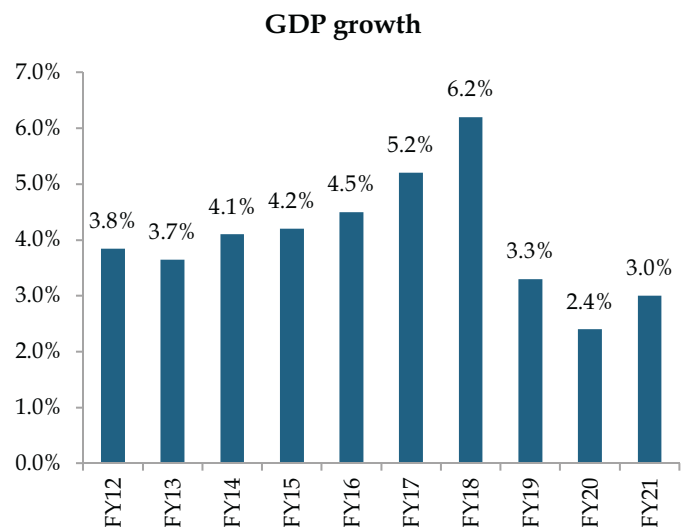
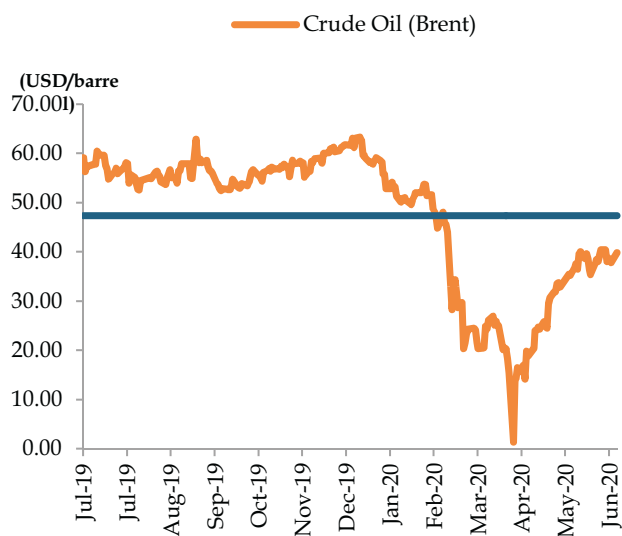
The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Cash Fund (ABL-CF), is pleased to present the Audited Financial Statements of ABL Cash Fund for the year ended on June 30, 2020.

ECONOMIC PERFORMANCE REVIEW

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



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



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

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

MUTUAL FUND INDUSTRY REVIEW

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

OBJECTIVE

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



MONEY MARKET REVIEW

During the period under review money market remained volatile, as SBP's stance moved from monetary tightening to easing. SBP raised interest rates in Jul'19 by 100 bps to combat inflation and attract foreign investments in PKR denominated debt instruments. However, these plans came undone when coronavirus upended the hopes for economic revival and SBP was forced by the circumstances to cut interest rate by 625ps.

Pakistan investment bonds (PIBs) trading yields came down from 13.72% to 8.69%, with this the yield curve finally moved into normal slope. During the year, the money market witnessed a seasonal lack of liquidity as SBP continued with frequent open market operations (OMOs). At the end of the period under review, the SBP remained a net lender of worth PKR 1,041 billion under a single reverse repo arrangement at a cut-off rate of 7.03%.

On the T-bills side, the 3-Month cut off yields decreased from 12.75% to 7.09%. During the period under review participation in 6 & 12M remained high as the market participants' expectation for inflation started to come down as SBP started cutting interest rates. The cut-offs for 12M T-bill came down by ~608bps to 7.05% whereas the bond cut off yields for 3, 5 & 10 years closed at 7.35%, 8.11% & 8.69% respectively.

FUND PERFORMANCE

During the period under review, ABL Cash Fund (ABL CF) delivered an exceptional return of 12.61% surpassing the benchmark return of 11.62% by 99 bps. The return was generated through active portfolio management. The return was mainly attributed to trading gains on treasury bills along with exceptional profit rate negotiation with top quality banks. At the end of FY20, allocation in Bank deposits stood at 78.98, T-bills at 15.84% and Commercial paper at 2.46%. During the year, Net Assets of ABL Cash Fund increased by 26.7% to PKR 26.91 billion on June 30, 2020 compared to PKR 21.24 billion on June 30, 2019.

ADDITIONAL MATTERS

1. The detail of Directors of the Management Company is disclosed in this Annual Report.
2. Financial Statements present fairly the state of affairs, the results of operations, cash flows and the changes in unit holder's fund;
3. Proper books of accounts of the Fund have been maintained.
4. Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgments;
5. Relevant International Accounting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 & Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the Trust Deed and directives issued by the Securities and Exchange Commission of Pakistan, have been followed in the preparation of the financial statements;
6. The system of internal control is sound in design and has been effectively implemented and monitored;
7. There have been no significant doubts upon the Funds' ability to continue as going concern;
8. Performance table of the Fund is given on page # 11 of the Annual Report;

9. There is no statutory payment on account of taxes, duties, levies and charges outstanding other than already disclosed in the financial statements;
10. The statement as to the value of investments of Provident Fund is not applicable in the case of the Fund as employees retirement benefits expenses are borne by the Management Company;
11. The pattern of unit holding as at June 30, 2020 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, 2021 for ABL Cash Fund (ABL-CF).

FUND STABILITY RATING

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on January 20, 2020, has upgraded the Fund Stability Rating of ABL Cash Fund at 'AA+(f)' (Double A Plus (f)).

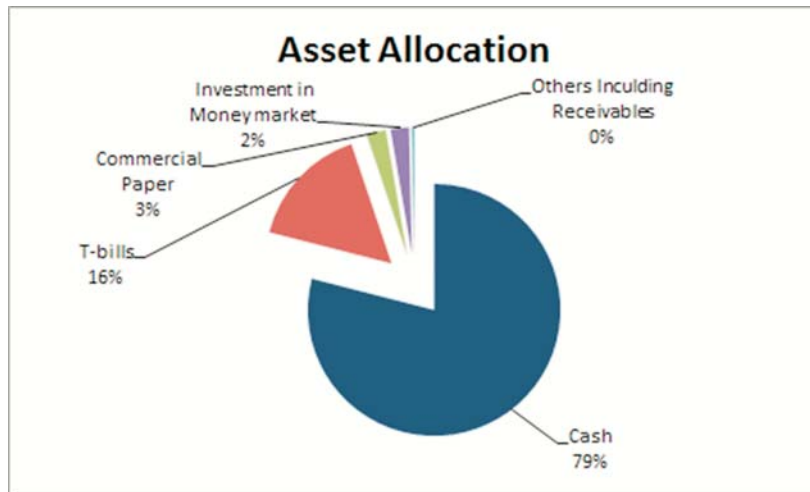
MANAGEMENT QUALITY RATING

On December 31, 2019, JCR-VIS Credit Rating Company Limited (JCR-VIS) has reaffirmed the Management Quality Rating of ABL Asset Management Company Limited (ABL AMC) to 'AM2++' (AM-Two-Double Plus). Outlook on the assigned rating is 'Stable'.

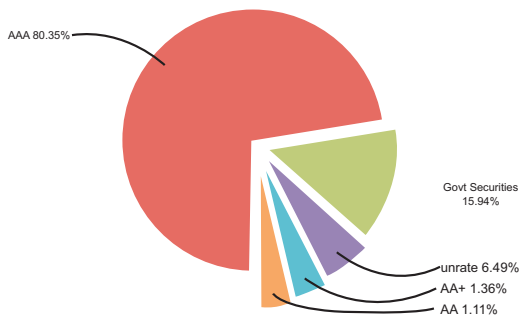
OUTLOOK AND STRATEGY

Declining growth and hostile business environment amid COVID-19 lock down accelerated the rate decline process where MPC ended up reducing the policy rate by 725 bps in just 3 months. Going forward we expect the interest rates to be maintained at the current level of 7.00% for the next 12 to 18 months. The fund will adopt a strategy of high yield investments with tenor of 3-6 months in CPs, T-bills & Bank Deposits.

ABL Cash Fund Performance	FY-2020
Yield	12.61%
70%-Average of 3 Month PKRV & 30%- 3M Bank Deposit Rate	11.62%
Weighted Average Time to Maturity of Net Assets (days)	22.7
Asset under management as at June 30, 2020 (PKR mn)	26,910.97



CREDIT QUALITY OF PORTFOLIO (% OF TOTAL ASSETS)



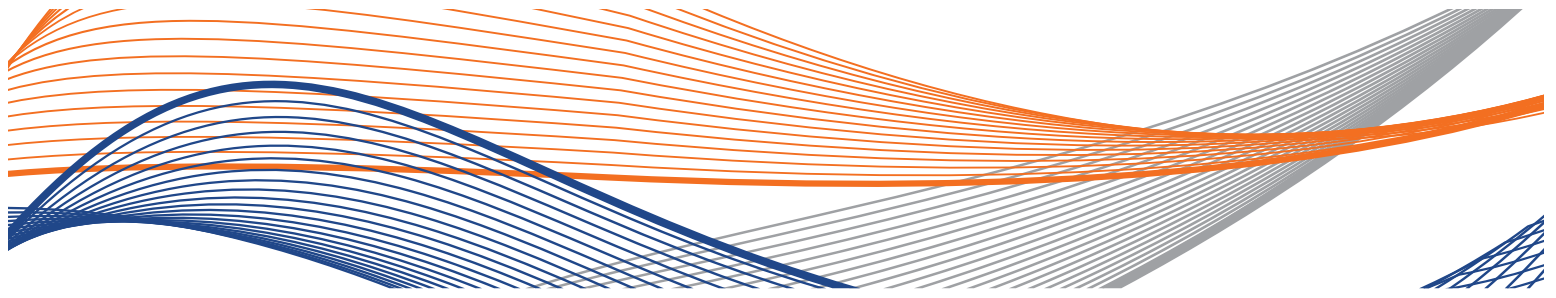
ACKNOWLEDGEMENT

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 18, 2020

Alee Khalid Ghaznavi
Chief Executive Officer



FUND MANAGER REPORT

OBJECTIVE

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MONEY MARKET REVIEW

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

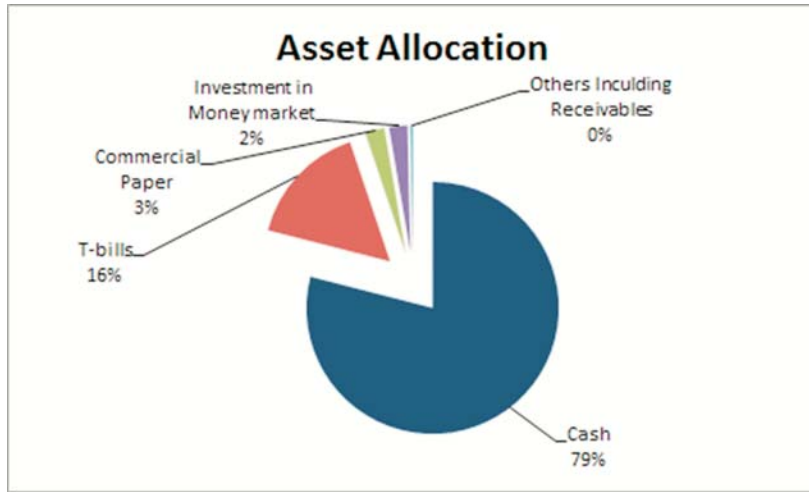
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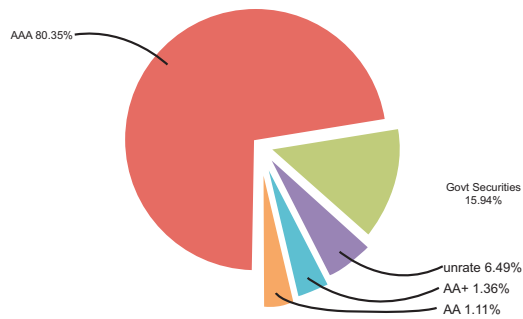
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Asset under management as at June 30, 2020 (PKR mn)	26,910.97



CREDIT QUALITY OF PORTFOLIO (% OF TOTAL ASSETS)



PERFORMANCE TABLE

	June 2020	June 2019	June 2018	June 2017	June 2016	June 2015	June 2014	June 2013	June 2012	June 2011
	(Rupees in '000)									
Net Assets	26,910,972	21,248,466	13,234,758	7,577,405	2,602,913	6,351,795	15,395,723	13,952,631	16,385,230	10,650,817
Net Income	2,791,946	1,646,118	740,966	137,904	35,600	128,995	1,309,745	940,953	2,596,950	893,326
	(Rupees per unit)									
Net Assets value	10.1789	10.1668	10.5964	10.1087	10.0256	10.0203	10.0247	10.0077	10.0247	10.0188
Interim distribution*	1.1578	1.2689	-	0.7766	0.0241	-	0.7248	0.8294	0.9904	0.7466
Final distribution	0.0514	0.0427	0.0565	-	0.5497	-	0.9422	0.0472	0.0661	0.2832
Distribution date final	June 25, 2020	June 25, 2019	August 07, 2017	-	June 24, 2016	June 16, 2015	June 23, 2014	June 28, 2013	June 25, 2012	June 29, 2011
Closing offer price	10.2675	10.1668	10.5964	10.1087	10.0256	10.0203	10.0247	10.0077	10.0247	10.0188
Closing repurchase price	10.1789	10.1668	10.5964	10.1087	10.0256	10.0203	10.0247	10.0077	10.0247	10.0188
Highest offer price	10.5517	10.5982	10.5964	10.7653	10.5629	10.8317	10.0740	10.2077	10.3008	10.2943
Lowest offer price	10.2553	10.1533	10.1070	10.0256	10.0000	10.0000	10.0000	10.0000	10.0023	10.0020
Highest repurchase price per unit	10.4607	10.5982	10.5964	10.7653	10.5629	10.8317	10.0740	10.2077	10.3008	10.2943
Lowest repurchase price per unit	10.1668	10.1533	10.1070	10.0256	10.0000	10.0000	10.0000	10.0000	10.0023	10.0020
	Percentage									
Total return of the fund										
- capital growth	0.52%	-4.10%	4.85%	0.89%	0.04%	-0.05%	0.46%	0.18%	0.49%	1.64%
- income distribution	12.09%	13.12%	0.57%	7.77%	5.74%	9.42%	7.72%	8.96%	10.74%	10.30%
Average return of the fund										
First Year	12.61%	9.02%	5.41%	8.66%	5.78%	9.37%	8.18%	9.13%	11.23%	-
Second Year	11.39%	7.46%	7.27%	7.47%	7.85%	9.16%	9.03%	10.69%	-	-
Third Year	9.81%	8.29%	7.05%	8.57%	8.39%	9.71%	10.44%	-	-	-
Fourth Year	10.16%	8.02%	8.13%	9.00%	9.15%	10.91%	-	-	-	-
Fifth Year	9.75%	8.89%	8.67%	9.68%	10.39%	-	-	-	-	-
Sixth Year	10.45%	9.38%	9.41%	10.85%	-	-	-	-	-	-
Seventh Year	10.86%	10.08%	10.58%	-	-	-	-	-	-	-
Eighth Year	11.51%	11.22%	-	-	-	-	-	-	-	-
Ninth Year	12.63%	-	-	-	-	-	-	-	-	-
Since Inception	13.81%	12.38%	11.75%	12.01%	11.58%	12.06%	11.65%	11.87%	12.18%	11.94%
Weighted average Portfolio duration in days	23	13	1	7	4	59	40	65	47	69

* Distribution History

Monthly Distribution	2020		2019		2017		2016		2014		2013		2012		2011	
	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit
1st Interim distribution	August 4, 2019	0.1200	July 3, 2018	0.3086	-	-	-	-	July 30, 2013	0.0688	-	-	-	-	-	-
2nd Interim distribution	September 10, 2019	0.1312	July 31, 2018	0.1808	-	-	-	-	August 29, 2013	0.0589	August 29, 2012	0.2105	-	-	-	-
3rd Interim distribution	March 1, 2020	0.2245	November 4, 2018	0.0632	-	-	-	-	October 25, 2013	0.0588	October 24, 2012	0.0876	-	-	-	-
4th Interim distribution	March 29, 2020	0.1034	December 9, 2018	0.0688	-	-	-	-	November 28, 2013	0.0679	November 29, 2012	0.0844	-	-	-	-
5th Interim distribution	May 31, 2020	0.0600	February 3, 2019	0.0720	-	-	-	-	January 30, 2014	0.0733	January 30, 2013	0.0757	-	-	-	-
6th Interim distribution	-	-	March 3, 2019	0.0737	-	-	-	-	February 27, 2014	0.0650	February 27, 2013	0.0585	-	-	-	-
7th Interim distribution	-	-	April 29, 2019	0.0612	-	-	-	-	April 29, 2014	0.0763	April 30, 2013	0.0839	-	-	-	-
8th Interim distribution	-	-	June 16, 2019	0.1454	June 21, 2017	0.7766	June 20, 2016	0.0241	May 30, 2014	0.0694	May 30, 2013	0.0635	May 21, 2012	0.1604	-	-

Quarterly Distribution	2020		2019		2017		2016		2014		2013		2012		2011	
	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit
First quarter Interim distribution	October 6, 2019	0.0936	October 5, 2018	0.1280	-	-	-	-	September 27, 2013	0.0592	September 24, 2012	0.0587	September 27, 2011	0.3008	September 29, 2010	0.1781
Second quarter Interim distribution	December 29, 2019	0.2977	January 6, 2019	0.0743	-	-	-	-	December 30, 2013	0.0667	December 27, 2012	0.0575	December 26, 2011	0.2738	December 30, 2010	0.2742
Third quarter Interim distribution	April 30, 2020	0.1274	April 7, 2019	0.0929	-	-	-	-	March 27, 2014	0.0605	March 22, 2013	0.0491	March 26, 2012	0.2554	March 30, 2011	0.2943

Final Distribution	2020		2019		2017		2016		2014		2013		2012		2011	
	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit	Date of distribution	Distribution Per Unit
Final distribution	June 25, 2020	0.0514	June 25, 2019	0.0427	-	-	June 24, 2016	0.5497	June 23, 2014	0.0472	June 28, 2013	0.0661	June 25, 2012	0.0835	June 29, 2011	0.2832

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

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S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400. Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcPakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

ABL CASH FUND

**Report of the Trustee pursuant to Regulation 41(h) 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 Cash Fund (the Fund) are of the opinion that ABL Asset Management Company Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2020 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 25, 2020



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of ABL Cash Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ABL Cash Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2020, 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, 2020, 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. This matter was 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 this matter.

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, 2020 amounted to Rs. 23,296.117 million and Rs. 6,098.620 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, 2020 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, 2020 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.

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



S. No.	Key Audit Matter	How the matter was addressed in our audit
		<ul style="list-style-type: none"> ▪ 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.

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.

AFCO



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

A.F. Ferguson & Co.
Chartered Accountants
Karachi

Date: September 24, 2020

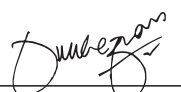
ABL CASH FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2020

	Note	2020 -----Rupees in '000-----	2019
Assets			
Bank balances	4	23,296,117	19,556,437
Investments	5	6,098,620	1,598,647
Interest / profit accrued	6	94,379	248,570
Deposit and other receivable	7	3,947	956
Receivable against sale of units		1,736	-
Total assets		29,494,799	21,404,610
Liabilities			
Payable to ABL Asset Management Company Limited - Management Company	8	101,100	87,152
Payable to Central Depository Company of Pakistan Limited- Trustee	9	1,617	1,600
Payable to the Securities and Exchange Commission of Pakistan	10	4,712	13,831
Payable against redemption of units		6,497	31,299
Payable against purchase of investments		2,444,192	-
Accrued expenses and other liabilities	11	25,709	22,262
Total liabilities		2,583,827	156,144
NET ASSETS		26,910,972	21,248,466
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		26,910,972	21,248,466
CONTINGENCIES AND COMMITMENTS	12		
		----- Number of units -----	
NUMBER OF UNITS IN ISSUE		2,643,799,166	2,089,987,464
		----- Rupees -----	
NET ASSET VALUE PER UNIT		10.1789	10.1668

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

For ABL Asset Management Company Limited
(Management Company)


Saqib Matin
Chief Financial Officer


Aleo Khalid Ghaznavi
Chief Executive Officer


Pervaiz Iqbal Butt
Director

ABL
Cash Fund

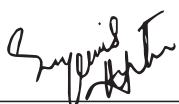
A ABL Asset Management
Discover the potential

**ABL CASH FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020**

	Note	2020	2019
		-----Rupees in '000-----	
Income			
Interest / profit earned	13	2,999,418	1,909,024
Other income		678	-
Gain / (loss) on sale of investments - net		65,916	(25,615)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.5	3,832	-
		<u>69,748</u>	<u>(25,615)</u>
Total income		3,069,844	1,883,409
Expenses			
Remuneration of ABL Asset Management Company Limited - Management Company	8.1	202,345	174,314
Punjab Sales Tax on remuneration of the Management Company	8.2	32,375	27,890
Accounting and operational charges	8.4	18,597	4,752
Remuneration of the Central Depository Company of Pakistan - Trustee	9.1	15,314	13,315
Sindh Sales Tax on remuneration of the Trustee	9.2	1,991	1,731
Annual fees to the Securities and Exchange Commission of Pakistan	10.1	4,712	13,831
Securities transaction cost		476	59
Auditors' remuneration	14	604	512
Annual rating fee		249	238
Annual listing fee		28	28
Printing charges		108	84
Legal and professional charges		90	108
Settlement and bank charges		1,009	429
Total operating expenses		277,898	237,291
Net income for the year before taxation		2,791,946	1,646,118
Taxation	16	-	-
Net income for the year after taxation		2,791,946	1,646,118
Other comprehensive income for the year		-	-
Total comprehensive income for the year		2,791,946	1,646,118
Earnings per unit	17		
Allocation of net income for the year			
Net income for the year after taxation		2,791,946	1,646,118
Income already paid on units redeemed		(244,204)	(219,000)
		<u>2,547,742</u>	<u>1,427,118</u>
Accounting income available for distribution			
- Relating to capital gains		69,748	-
- Excluding capital gains		2,477,994	1,427,118
		<u>2,547,742</u>	<u>1,427,118</u>

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

For ABL Asset Management Company Limited
(Management Company)


Saqib Matin
Chief Financial Officer


Aleo Khalid Ghaznavi
Chief Executive Officer

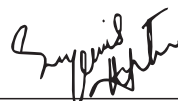

Pervaiz Iqbal Butt
Director

ABL CASH FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2020

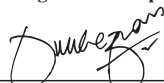
	2020			2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
Rupees in '000-						
Net assets at beginning of the year	21,077,223	171,243	21,248,466	12,817,929	416,829	13,234,758
Issue of 4,900,485,321 (2019: 5,632,020,119) units						
- Capital value (at ex - net asset value per unit)	49,822,211	-	49,822,211	54,857,141	-	54,857,141
- Element of income	329,122	-	329,122	2,650,290	-	2,650,290
Total proceeds on issuance of units	50,151,333	-	50,151,333	57,507,431	-	57,507,431
Redemption of 4,346,673,619 (2019: 4,791,021,040) units						
- Capital value (at ex - net asset value per unit)	44,191,723	-	44,191,723	46,457,305	-	46,457,305
- Element of loss	68,318	244,204	312,522	2,234,022	219,000	2,453,022
Total payments on redemption of units	44,260,041	244,204	44,504,245	48,691,327	219,000	48,910,327
Total comprehensive income for the year	-	2,791,946	2,791,946	-	1,646,118	1,646,118
Distribution for the year ended June 30, 2019						
@ Re Nil per unit (2019: @ Re 0.3588 per unit on July 3, 2018)	-	-	-	(148,549)	(236,889)	(385,438)
Distribution for the period ended August 4, 2019						
@ Re. 0.1200 per unit on August 5, 2019 (2019: @ Re. 0.1808 per unit on July 31, 2018)	(20,634)	(218,570)	(239,204)	(87,947)	(129,068)	(217,015)
Distribution for the period ended September 10, 2019						
@ Re. 0.1280 per unit on September 11, 2019 (2019: @ Re. 0.1280 per unit on October 05, 2018)	(22,843)	(263,106)	(285,949)	(68,904)	(145,366)	(214,270)
Distribution for the period ended October 6, 2019						
@ Re. 0.0936 per unit on October 7, 2019 (2019: @ Re. 0.0632 per unit on November 04, 2018)	(8,321)	(174,975)	(183,296)	(57,168)	(72,088)	(129,256)
Distribution for the period ended November 30, 2019						
@ Re Nil per unit (2019: @ Re. 0.0688 per unit on December 09, 2018)	-	-	-	(62,069)	(85,574)	(147,643)
Distribution for the period ended December 29, 2019						
@ Re. 0.2977 per unit on December 30, 2019 (2019: @ Re. 0.0743 per unit on January 06, 2019)	(82,973)	(565,650)	(648,623)	(18,669)	(100,376)	(119,045)
Distribution for the period ended January 31, 2020						
@ Re Nil per unit (2019: @ Re. 0.0720 per unit on February 03, 2019)	-	-	-	(21,336)	(135,315)	(156,651)
Distribution for the period ended March 1, 2020						
@ Re. 0.2245 per unit on March 2, 2020 (2019: @ Re. 0.0737 per unit on March 03, 2019)	(19,261)	(482,592)	(501,853)	(19,531)	(131,762)	(151,293)
Distribution for the period ended March 29, 2020						
@ Re. 0.1034 per unit on March 30, 2020 (2019: @ Re. 0.0929 per unit on April 07, 2019)	(29,075)	(241,453)	(270,528)	(4,298)	(152,840)	(157,138)
Distribution for the period ended April 30, 2020						
@ Re. 0.1274 per unit on May 1, 2020 (2019: @ Re. 0.0612 per unit on April 29, 2019)	(27,232)	(326,355)	(353,587)	(1,974)	(80,394)	(82,368)
Distribution for the period ended May 31, 2020						
@ Re. 0.0600 per unit on June 1, 2020 (2019: @ Re. 0.1454 per unit on June 16, 2019)	(34,678)	(127,602)	(162,280)	(64,298)	(299,987)	(364,285)
Distribution for the year ended June 30, 2020						
@ Re. 0.0514 per unit on June 26, 2020 (2019: @ Re. 0.0427 per unit on June 25, 2019)	(5,551)	(125,657)	(131,208)	(2,067)	(103,045)	(105,112)
Total distribution during the year	(250,568)	(2,525,960)	(2,776,528)	(556,810)	(1,672,704)	(2,229,514)
Net assets at end of the year	26,717,947	193,025	26,910,972	21,077,223	171,243	21,248,466
Undistributed income brought forward						
- Realised		171,243			416,829	
- Unrealised		-			-	
		171,243			416,829	
Accounting income available for distribution						
- Relating to capital gains	69,748			-		
- Excluding capital gains	2,477,994			1,427,118		
	2,547,742			1,427,118		
Distribution for the year	(2,525,960)			(1,672,704)		
Undistributed income carried forward	193,025			171,243		
Undistributed income carried forward						
- Realised		189,193			171,243	
- Unrealised		3,832			-	
		193,025			171,243	
				(Rupees)		(Rupees)
Net assets value per unit at beginning of the year			10.1668			10.1087
Net assets value per unit at end of the year			10.1789			10.1668

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

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer




Pervaiz Iqbal Butt
Director

**ABL CASH FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020**

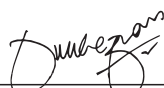
	2020	2019
Note	-----Rupees in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	2,791,946	1,646,118
Adjustments for:		
Interest / profit earned	13 (2,999,418)	(1,909,024)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.5 (3,832)	-
	(3,003,250)	(1,909,024)
(Increase) / decrease in assets		
Deposit and other receivable	(2,991)	(529)
Increase / (decrease) in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	13,948	9,475
Payable to Central Depository Company of Pakistan Limited - Trustee	17	576
Payable to the Securities and Exchange Commission of Pakistan	(9,119)	3,311
Accrued expenses and other liabilities	3,448	(377)
	8,294	12,985
	(206,001)	(250,450)
Interest / profit received	3,153,609	1,715,421
Net amount paid on purchase and sale of investments	(2,628,652)	(198,647)
Net cash generated from operating activities	318,956	1,266,324
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units - net of refund of element	49,899,029	56,950,621
Net payments against redemption of units	(44,529,047)	(48,879,203)
Cash pay-out against distribution	(2,525,960)	(1,672,704)
Net cash generated from financing activities	2,844,022	6,398,714
Net increase in cash and cash equivalents during the year	3,162,978	7,665,038
Cash and cash equivalents at the beginning of the year	20,956,437	13,291,399
Cash and cash equivalents at the end of the year	19 24,119,415	20,956,437

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

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

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ABL CASH FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

AS AT JUNE 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Cash Fund is an open ended mutual fund constituted under a Trust Deed entered into on September 25, 2009 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been revised through the Deed of Change of Trustee and the First and Second Supplemental Trust Deeds dated July 29, 2011 and May 15, 2013 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). Furthermore, the Offering Document of the Fund has been revised through the First, Second (not executed), Third, Fourth, Fifth and Sixth supplements dated September 20, 2011, January 28, 2013, March 01, 2013, October 06, 2016, and June 02, 2017 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. NBFC-II / DD / ABLAMC / 872 dated September 17, 2009 in accordance with the requirement of the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

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

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

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

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2019. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

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

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

Standards, interpretations and amendments	Effective date (accounting periods beginning on or after)
IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2020
IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2020

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

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

2.4 Critical accounting estimates and judgments

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

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

2.5 Accounting convention

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

2.6 Functional and presentation currency

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

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

3.2 Financial assets

3.2.1 Classification and subsequent measurement

Debt instruments

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

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

based on the business model of the entity.

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

3.2.2 Impairment

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

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

3.2.3 Impairment loss on debt securities

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

3.2.4 Regular way contracts

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

3.2.5 Initial recognition and measurement

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

3.2.6 Derecognition

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

3.2.7 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the Income Statement.

3.3 Financial liabilities

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

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

3.4 Provisions

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

3.5 Net asset value per unit

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

3.6 Issue and redemption of units

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

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

3.7 Distributions to unit holders

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

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

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

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

3.9 Revenue recognition

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

3.10 Expenses

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

3.11 Taxation

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

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

3.12 Earnings per unit

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

3.13 Foreign currency translation

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

4	BANK BALANCES	Note	2020	2019
		----- Rupees in '000 -----		
Balances with banks in:				
	Savings accounts	4.1	19,196,107	19,556,433
	Current accounts	4.2	4,100,010	4
			<u>23,296,117</u>	<u>19,556,437</u>

4.1 These savings accounts carry mark-up at rates ranging from 5% to 9% (2019: 8% to 13.75%) per annum. Deposits in savings accounts include Rs. 6,582.928 million (2019: Rs. 292.428 million) maintained with Allied Bank Limited, a related party, and carry mark-up rate of 9% (2019: 13.40%) per annum.

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

5	INVESTMENTS	Note	2020	2019
		----- Rupees in '000 -----		
At fair value through profit or loss				
	Government securities - Market Treasury Bills	5.1	4,671,581	-
	Commercial papers	5.2	327,039	198,647
	Letters of placements	5.3	700,000	1,400,000
	Sukuk Certificates	5.4	400,000	-
			<u>6,098,620</u>	<u>1,598,647</u>

5.1 Government securities - Market Treasury Bills

Tenure	Face value (Rupees in '000)				Rupees in '000		Market value as a percentage of total investments	Market value as a percentage of net assets
	As at July 01, 2019	Purchased during the year	Disposed / matured during the year	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020		
3 months	-	59,381,000	59,256,000	125,000	123,163	123,298	2.02%	0.46%
6 months	-	29,729,000	25,717,000	4,012,000	3,920,083	3,923,032	64.33%	14.58%
12 months	-	6,577,265	5,938,350	638,915	624,503	625,251	10.25%	2.32%
Total as at June 30, 2020	-	<u>95,687,265</u>	<u>90,911,350</u>	<u>4,775,915</u>	<u>4,667,749</u>	<u>4,671,581</u>	<u>76.60%</u>	<u>17.36%</u>
Total as at June 30, 2019	-	-	-	-	-	-	-	-

5.1.1 These carry purchase yield ranging from 7.07% to 11.27% and are due to mature latest by December 17, 2020.

5.2 Commercial paper

Name of Investee Company	Face value (Rupees in '000)				Rupees in '000		Market value as a percentage of total investments	Market value as a percentage of net assets
	As at July 01, 2019	Purchased during the year	Disposed / matured during the year	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020		
The Hub Power Company 1st Issue (related party) (AA+, PACRA)	200,000	-	200,000	-	-	-	-	-
The Hub Power Company 2nd Issue (related party) (AA+, PACRA)	-	500,000	500,000	-	-	-	-	-
K-Electric Limited CP- A (A-1+, PACRA)	-	1,000,000	1,000,000	-	-	-	-	-
K-Electric Limited CP-5 (A-1+, PACRA)	-	1,225,000	945,000	280,000	276,127	276,127	4.53%	1.03%
K-Electric Limited CP-6 (A-1+, PACRA)	-	200,000	148,000	52,000	50,912	50,912	0.83%	0.19%
Total as at June 30, 2020					<u>327,039</u>	<u>327,039</u>	<u>5.36%</u>	<u>1.22%</u>
Total as at June 30, 2019					<u>198,647</u>	<u>198,647</u>	<u>12.43%</u>	<u>0.93%</u>

5.2.1 These carry profit rate ranging from 11.94% and 14.64% per annum and are due to mature latest by August 26, 2020.

5.3 Letter of placements

Name of Investee Company	Amount placed (Rupees in '000)				Rupees in '000		Market value as a percentage of total investments	Market value as a percentage of net assets
	As at July 01, 2019	Placed during the year	Matured during the year	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020		
Zarai Taraqiati Bank Limited (note 5.3.1)	1,000,000	6,600,000	6,900,000	700,000	700,000	700,000	11.48%	2.60%
Pak Oman Investment Company Limited	400,000	6,600,000	7,000,000	-	-	-	-	-
PAIR Investment Company Limited	-	1,100,000	1,100,000	-	-	-	-	-
Pak Brunei Investment Company Limited	-	3,500,000	3,500,000	-	-	-	-	-
Pak China Investment Company Limited	-	3,500,000	3,500,000	-	-	-	-	-
Saudi Pak Industrial and Agricultural Investment Company Limited	-	6,220,000	6,220,000	-	-	-	-	-
Total as at June 30, 2020					700,000	700,000	11.48%	2.60%
Total as at June 30, 2019					1,400,000	1,400,000	87.57%	6.59%

5.3.1 This carries profit at the rate of 8.25% per annum and is due to mature by July 27, 2020.

5.4 Sukuk Certificates

Name of Investee Company	As at July 01, 2019	Purchased during the year	Disposed of / matured during the year	As at June 30, 2020	Rupees in '000		Market value as a percentage of total investments	Market value as a percentage of net assets
					Carrying value as at June 30, 2020	Market value as at June 30, 2020		
The Hub Power Company 1st Issue (related party) (Face value of 100,000 per certificate)	-	2,500	2,500	-	-	-	-	-
The Hub Power Company 2nd Issue (related party) (Face value of 100,000 per certificate)	-	4,000	-	4,000	400,000	400,000	6.56%	1.49%
Total as at June 30, 2020					400,000	400,000	6.56%	1.49%
Total as at June 30, 2019					-	-	-	-

5.4.1 This carries profit at the rate of 9.59% per annum and is due to mature by November 19, 2020.

5.5 Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss	Note	2020	2019
		----- (Rupees in '000) -----	
Market value of investments	5.1, 5.2 5.3 & 5.4	6,098,620	1,598,647
Carrying value of investments	5.1, 5.2 5.3 & 5.4	(6,094,788)	(1,598,647)
		3,832	-

6	INTEREST / PROFIT ACCRUED	Note	2020	2019
			----- (Rupees in '000) -----	
	Interest / profit accrued on:			
	Bank balances		80,089	247,057
	Letters of placements		9,783	1,513
	Sukuk Certificates		4,507	-
			<u>94,379</u>	<u>248,570</u>

7 DEPOSIT AND OTHER RECEIVABLE

	Security deposit with Central Depository Company of Pakistan Limited *		100	100
	Deposit in IPS account *		59	51
	Advance tax	7.1	<u>3,788</u>	<u>805</u>
			<u>3,947</u>	<u>956</u>

* related party balances

- 7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding tax on profit on bank deposits, commercial papers and letter of placements to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. No. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholders. The tax withheld on profit on bank deposits, commercial paper and letter of placements amounts to Rs 3.788 million (2019: Rs 0.805 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 tax deducted on profit received by the Fund on bank deposits, commercial paper and letter of placements has been shown as other receivable as at June 30, 2020 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

8	PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY - RELATED PARTY	Note	2020	2019
			-----Rupees in '000-----	
	Management fee payable	8.1	16,516	20,524
	Punjab Sales Tax payable on remuneration of the Management Company	8.2	11,089	11,730
	Federal Excise Duty payable on remuneration of the Management Company	8.3	54,898	54,898
	Accounting and operational charges payable	8.4	18,597	-
			<u>101,100</u>	<u>87,152</u>

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

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

The remuneration is payable to the Management Company in arrears.

8.2 During the year, an amount of Rs 32.375 million (2019: Rs 27.890 million) was charged on account of sales tax on management fee levied through the Punjab Sales Tax on Services Act, 2012.

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 54.898 million is being retained in these financial statements as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2020 would have been higher by Re 0.021 (2019: Re 0.026) 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).

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The Management Company has decided to charge expenses at the rate of 0.25% of average daily net assets to this Fund with effect from January 1, 2020 and the same has been approved by the Board of Directors.

9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE - RELATED PARTY	Note	2020	2019
			-----Rupees in '000-----	
	Trustee fee payable	9.1	1,431	1,416
	Sindh Sales tax payable on trustee fee	9.2	186	184
			<u>1,617</u>	<u>1,600</u>

9.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. During the year, Trustee has revised its tariff as follows:

Existing Tariff		Revised Tariff (Flat Rate)
Net Assets (Rs.)	Fee	
- up to Rs. 1 billion	Rupees 0.7 million or 0.20% per annum of NAV, whichever is higher	0.065% per annum of Net Assets
- exceeding Rs 1 billion	Rupees 2.0 million plus 0.10% per annum of NAV, exceeding Rs.1,000 million	

Accordingly the Fund has charged trustee fee at the rate 0.065 percent per annum of net assets during the year.

9.2 During the year, an amount of Rs 1.991 million (2019: Rs. 1.731 million) was charged on account of sales tax @13% (2019: 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	2020	2019
			-----Rupees in '000-----	
	Annual fee payable	10.1	<u>4,712</u>	<u>13,831</u>

- 10.1 In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee to 0.02% of net assets, applicable on all categories of CISs. Previously, the rate of annual fee applicable to money market funds was 0.075%. Accordingly, the Fund has charged the SECP Fee at the rate of 0.02% of net assets during the current year.

	Note	2020	2019
		-----Rupees in '000-----	
11 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		370	300
Printing charges payable		100	80
Brokerage fee payable		393	43
Withholding tax payable		19,480	14,515
Capital gain tax payable		1,840	3,798
Provision for Sindh Workers' Welfare Fund	11.1	3,526	3,526
		<u>25,709</u>	<u>22,262</u>

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

The Fund has made provision for SWWF from May 21, 2015 till June 30, 2017 amounting to Rs 3.526 million as the decision in this respect is pending to date. The Fund has not made any provision for SWWF after July 01, 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.

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to June 30, 2017, the net asset value of the Fund as at June 30, 2020 would have been higher by Re. 0.0013 (2019: Re 0.0017) per unit.

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2020 and June 30, 2019.

	2020	2019
	-----Rupees in '000-----	
13 INTEREST / PROFIT EARNED		
Interest / profit on:		
Savings accounts	2,001,761	1,438,182
Letter of placements	356,801	28,462
Commercial paper	93,039	4,446
Government Securities - Market Treasury Bills	524,624	437,934
Sukuk certificates	23,193	-
	<u>2,999,418</u>	<u>1,909,024</u>

14 AUDITORS' REMUNERATION

Annual audit fee	300	300
Half yearly review of condensed interim financial statements	125	125
Other certifications	100	-
Out of pocket expenses	79	87
	<u>604</u>	<u>512</u>

15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2020 is 1.18% (2019: 1.29%) which includes 0.17% (2019: 0.24%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2020 to the unit holders in the manner as explained above no provision for taxation has been made in these financial statements during the year.

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

17 EARNINGS PER UNIT

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

18 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

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

18.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008.

18.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

18.5 Accounting and operational charges are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

18.6 The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

	2020	2019
	-----Rupees in '000-----	
ABL Asset Management Company Limited (Management Company)		
Remuneration charged	202,345	174,314
Punjab Sales Tax on remuneration of the Management Company	32,375	27,890
Accounting and operational charges	18,597	4,752
Issue of 22,851,205 (2019: 46,816,364) units	235,040	479,720
Redemption of 49,220,440 (2019: 16,285,396) units	506,446	166,293
Outstanding 4,161,733 (2019: 30,530,968) units	42,362	310,402

	2020	2019
	-----Rupees in '000-----	
Central Depository Company of Pakistan (Trustee)		
Remuneration of the Trustee	15,314	13,315
Sindh Sales Tax on remuneration of the Trustee	1,991	1,731
Settlement charges	60	5
Security deposit with Central Depository Company of Pakistan Limited	100	100
Issue of 20,620,379 (2019: Nil) units	209,643	-
Outstanding 20,620,379 (2019: Nil) units	209,893	-
Allied Bank Limited		
Profit on bank deposits	434,410	350,776
Bank charges	730	269
Interest accrued on bank balance	60,224	57,309
Ibrahim Agencies Pvt Limited		
Issue of 3,128,388 (2019: 1,746,482) units	32,026	17,829
Outstanding 4,874,870 (2019: 1,746,482) units	49,621	17,756
Ibrahim Holdings (Private) Limited		
Issue of 736,332,313 (2019: 228,661,844) units	7,557,032	2,338,227
Redemption of 325,847,871 (2019: Nil) units	3,319,000	-
Outstanding 639,146,286 (2019: 228,661,844) units	6,505,807	2,324,757
Fauji Fertilizer Company Limited		
Issue of 891,413,747 (2019: 1,005,845,476) units	9,150,947	10,303,165
Redemption of 743,253,248 (2019: 560,926,504) units	7,566,079	5,727,807
Outstanding 593,079,471 (2019: 444,918,972) units	6,036,898	4,523,398
ABL Financial Planning Fund - Active Allocation Plan		
Issue of 83,647 (2019: 1,989,442) units	850	20,369
Redemption of 1,750,044 (2019: 323,044) units	18,056	3,280
Outstanding Nil (2019: 1,666,397) units	-	16,942
ABL Financial Planning Fund - Strategic Allocation Plan		
Issue of 128,366 (2019: 3,082,098) units	1,305	31,556
Redemption of 2,832,954 (2019: 377,511) units	29,021	3,845
Outstanding Nil (2019: 2,704,588) units	-	27,497
Directors and their close family members and key management personnel of the Management Company		
Sheikh Mukhtar Ahmed		
Issue of 157,173 (2019: 1,488,795) units	1,688	15,388
Outstanding 1,645,968 (2019: 1,488,795) units	16,734	15,136

	2020	2019
	-----Rupees in '000-----	
Muhammad Waseem Mukhtar		
Issue of 686,229 (2019: 553,983) units	7,097	5,674
Outstanding 1,242,157 (2019: 555,928) units	12,644	5,652
Alee Khalid Ghaznavi		
Issue of 3,141,494 (2019: 1,438,917) units	32,142	14,725
Redemption of 3,799,770 (2019: 704,449) units	38,831	7,202
Outstanding 76,195 (2019: 734,471) units	775	7,467

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

		2020	2019
		-----Rupees in '000-----	
19 CASH AND CASH EQUIVALENTS	Note		
Bank balances	4	23,296,117	19,556,437
Government securities - Market Treasury Bills	5	123,298	-
Letters of placements	5	700,000	1,400,000
		<u>24,119,415</u>	<u>20,956,437</u>

20 FINANCIAL INSTRUMENTS BY CATEGORY

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

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

	2019		
	At amortised cost	At fair value through profit or loss	Total
Financial assets	Rupees in '000		
Bank balances	19,556,437	-	19,556,437
Investments	-	1,598,647	1,598,647
Interest / profit accrued	248,570	-	248,570
Deposit and other receivable	151	-	151
	<u>19,805,158</u>	<u>1,598,647</u>	<u>21,403,805</u>

	2019	
	At amortised cost	Total
Financial liabilities	Rupees in '000	
Payable to ABL Asset Management Company Limited - Management Company	87,152	87,152
Payable to Central Depository Company of Pakistan Limited- Trustee	1,600	1,600
Payable against redemption of units	31,299	31,299
Accrued expenses and other liabilities	423	423
	<u>120,474</u>	<u>120,474</u>

21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

21.1 Market risk

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

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

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

(i) Yield / interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2020, the Fund is exposed to such risk on sukuk certificates, commercial papers, letter of placements, market treasury bills and bank balances. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds KIBOR based sukuk certificates and bank balances which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been higher / lower by Rs. 195.961 million (2019: Rs. 195.564 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2020, the Fund holds market treasury bills, commercial papers and letter of placements which are classified as financial assets at fair value through profit or loss' exposing the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Markets Association of Pakistan for market treasury bills and with all other variables held constant, the net income for the year and net assets of the Fund would have been lower / higher by Rs 56.986 million (2019: Rs. 15.986 million).

The composition of the Fund's investment portfolio, KIBOR rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2020 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

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

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2020 can be determined as follows:

2020						
Effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	
	Up to three months	More than three months and up to one year	More than one year			
----- Rupees in '000 -----						
Financial assets						
Bank balances	5.00% to 9.00%	19,196,107	-	-	4,100,010	23,296,117
Investments	7.07% to 14.64%	1,150,337	4,948,283	-	-	6,098,620
Interest / profit accrued		-	-	-	94,379	94,379
Deposit and other receivable		-	-	-	159	159
Receivable against sale of units		-	-	-	1,736	1,736
		20,346,444	4,948,283	-	4,196,284	29,491,011
Financial liabilities						
Payable to ABL Asset Management Company Limited - Management Company		-	-	-	101,100	101,100
Payable to Central Depository Company of Pakistan Limited- Trustee - Trustee		-	-	-	1,617	1,617
Payable against redemption of units		-	-	-	6,497	6,497
Payable against purchase of investments		-	-	-	2,444,192	2,444,192
Accrued expenses and other liabilities		-	-	-	863	863
		-	-	-	2,554,269	2,554,269
On-balance sheet gap		20,346,444	4,948,283	-	1,642,015	
Total interest rate sensitivity gap		20,346,444	4,948,283	-		
Cumulative interest rate sensitivity gap		20,346,444	25,294,727	25,294,727		

2019						
Effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	
	Up to three months	More than three months and up to one year	More than one year			
----- Rupees in '000 -----						
Financial assets						
Bank balances	8.00% to 13.75%	19,556,433	-	-	4	19,556,437
Investments	11.11% to 13.20%	1,598,647	-	-	-	1,598,647
Interest / profit accrued		-	-	-	248,570	248,570
Deposit and other receivable		-	-	-	151	151
		21,155,080	-	-	248,725	21,403,805
Financial liabilities						
Payable to ABL Asset Management Company Limited - Management Company		-	-	-	87,152	87,152
Payable to Central Depository Company of Pakistan Limited- Trustee - Trustee		-	-	-	1,600	1,600
Payable against redemption of units		-	-	-	31,299	31,299
Accrued expenses and other liabilities		-	-	-	423	423
		-	-	-	120,474	120,474
On-balance sheet gap		21,155,080	-	-	128,251	
Total interest rate sensitivity gap		21,155,080	-	-		
Cumulative interest rate sensitivity gap		21,155,080	21,155,080	21,155,080		

(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, 2020.

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.

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

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

----- 2020 -----						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000						
Financial assets						
Bank balances	23,296,117	-	-	-	-	23,296,117
Investments	700,000	450,337	4,948,283	-	-	6,098,620
Interest / profit accrued	89,872	4,507	-	-	-	94,379
Deposit and other receivable	100	-	-	-	59	159
Receivable against sale of units	1,736	-	-	-	-	1,736
	24,087,825	454,844	4,948,283	-	59	29,491,011
Financial liabilities						
Payable to ABL Asset Management Company Limited - Management Company	101,100	-	-	-	-	101,100
Payable to Central Depository Company of Pakistan Limited - Trustee	1,617	-	-	-	-	1,617
Payable against redemption of units	6,497	-	-	-	-	6,497
Payable against purchase of investments	2,444,192	-	-	-	-	2,444,192
Accrued expenses and other liabilities	863	-	-	-	-	863
	2,554,269	-	-	-	-	2,554,269
Net financial assets	21,533,556	454,844	4,948,283	-	59	26,936,742

2019						
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	19,556,437	-	-	-	-	19,556,437
Investments	1,598,647	-	-	-	-	1,598,647
Interest / profit accrued	247,057	1,513	-	-	-	248,570
Deposit and other receivable	100	-	-	-	51	151
	21,402,241	1,513	-	-	51	21,403,805

Financial liabilities

Payable to ABL Asset Management Company Limited - Management Company	87,152	-	-	-	-	87,152
Payable to Central Depository Company Limited - Trustee	1,600	-	-	-	-	1,600
Payable against redemption of units	31,299	-	-	-	-	31,299
Accrued expenses and other liabilities	423	-	-	-	-	423
	120,474	-	-	-	-	120,474

Net financial assets

	21,281,767	1,513	-	-	51	21,283,331
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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:

2020		2019	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk

Rupees in '000

Bank balances	23,296,117	23,296,117	19,556,437	19,556,437
Investments	6,098,620	1,427,039	1,598,647	1,598,647
Interest / profit accrued	94,379	94,379	248,570	248,570
Deposit and other receivable	159	159	151	151
Receivable against sale of units	1,736	1,736	-	-
	29,491,011	24,819,430	21,403,805	21,403,805

The maximum exposure to credit risk before any credit enhancement as at June 30, 2020 is the carrying amount of the financial assets.

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, commercial papers, sukuk certificates, letter of placements and mark-up accrued thereon. The credit rating profile of balances with banks, accrued profit, letter of placements and commercial paper is as follows:

21.3.2 Rating	% of financial assets exposed to credit risk	
	2020	2019
Bank balances		
AAA	79.26%	58.32%
AA+	-	34.21%
Letter of placement		
AAA	2.41%	4.67%
AA+	-	1.87%
Commercial papers		
A-1+	1.11%	0.93%
Sukuk certificates		
AA+	1.37%	-
	<u>84.15%</u>	<u>100.00%</u>

22 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

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

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

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

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

2020				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
At fair value through profit or loss				
Government Securities - Market Treasury Bills	-	4,671,581	-	4,671,581
Sukuk certificates **	-	400,000	-	400,000
Commercial papers*	-	327,039	-	327,039
Letter of placements*	-	700,000	-	700,000
	-	6,098,620	-	6,098,620

2019				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
At fair value through profit or loss				
Commercial papers*	-	198,647	-	198,647
Letter of placements*	-	1,400,000	-	1,400,000
	-	1,598,647	-	1,598,647

* The valuation of commercial paper and letter of placements have been done based on amortisation to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of these investments 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 in the 'Statement of Movement in Unit Holders' Fund'.

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

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

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

24 UNIT HOLDING PATTERN OF THE FUND

Category	2020			2019		
	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	3,597	4,238,459	15.75%	3,424	3,587,306	16.88%
Associated Companies / Directors	6	143,167	0.53%	7	393,385	1.85%
Insurance Companies	1	15,246	0.06%	1	10,474	0.05%
Retirement Funds	31	408,690	1.52%	42	709,534	3.34%
Public Limited Companies	51	21,918,495	81.45%	35	13,405,994	63.09%
Others	19	186,915	0.69%	34	3,141,773	14.79%
	<u>3,705</u>	<u>26,910,972</u>	<u>100.00%</u>	<u>3,543</u>	<u>21,248,466</u>	<u>100.00%</u>

25 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2020		2019	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Paramount Capital (Private) Limited	35.60%	BIPL Securities Limited	22.62%
Optimus Markets (Private) Limited	27.79%	Magenta Capital (Private) Limited	22.57%
Summit Capital (Private) Limited	12.51%	Invest One Markets Ltd	18.99%
Magenta Capital (Private) Limited	4.55%	Vector Capital (Private) Limited	13.11%
Bright Capital (Private) Limited	4.10%	Optimus Markets (Private) Limited	10.19%
Next Capital Limited	3.93%	Currency Market Associates (Private) Limited	3.02%
Vector Capital (Private) Limited	3.38%	C & M Management (Private) Limited	2.97%
JS Global Capital Limited	3.28%	JS Global Capital Limited	2.97%
Invest One Markets Limited	2.81%	Next Capital Limited	2.97%
BIPL Securities Limited	1.28%	Paramount Capital (Private) Limited	0.59%

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)
Mr. Alee Khalid Ghaznavi	Chief Executive Officer	MBA	19
Mr. Saqib Matin	CFO & Company Secretary	FCA & FPFA	21
Mr. Tanweer Haral	Head of Risk Management	MBA	25
Mr. Fahad Aziz	Head of Fixed Income	MBA	14
Mr. Ali Ahmed Tiwana	Head of Equity	CIMA	10
Mr. M. Tahir Saeed	Head of Research	CFA	8
Mr. M. Abdul Hayee	Fund Manager - Equity	MBA & CFA	12
Mr. Abdul Rehman Tahir	Fund Manager - Fixed Income	MBA	9

27 NAME AND QUALIFICATION OF THE FUND MANAGER

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

28 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 60th, 61st, 62nd and 63rd Board of Directors meetings were held on August 08, 2019, October 30, 2019, February 04, 2020 and April 29, 2020, 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	4	-	-
4	Tahir Hasan Qureshi	4	4	-	-
5	Muhammad Kamran Shehzad	4	3	1	62nd
6	Pervaiz Iqbal Butt	4	4	-	-
7	Alee Khalid Ghaznavi	4	4	-	-
Other persons					
8	Saqib Matin*	4	4	-	-

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

29 RATING OF THE FUND AND THE MANAGEMENT COMPANY

The VIS Credit Rating Company Limited has determined the asset manager rating of the Management Company of AM2++ (2019: AM2++) on December 31, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

Furthermore, VIS Credit Rating Company Limited has upgraded the stability rating of the Fund to "AA+(f)" [2019: AA(f)] on January 20, 2020.

30 CORRESPONDING FIGURES

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

31 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on August 18, 2020.

32 GENERAL

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

32.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

32.3 Operational risk management


The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network (“VPN”) connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of COVID-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

اعتراف

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

بورڈ کی طرف سے اور بورڈ کے لئے



ڈائریکٹر

لاہور، 18 اگست، 2020



علی خالد غزنوی
چیف ایگزیکٹو آفیسر

12.61%

پیداوار

12.23%

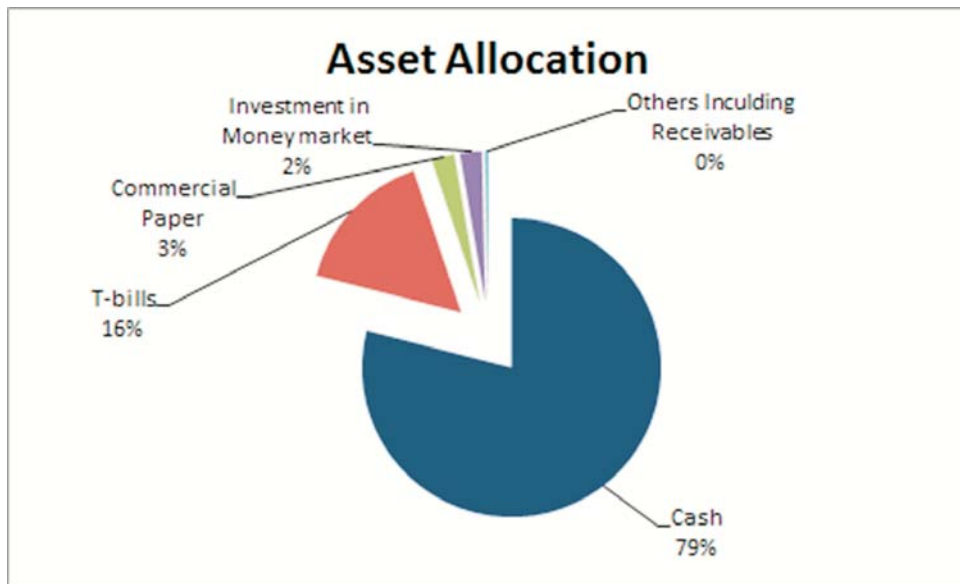
بنچ مارک 70% 3 ماہ RKPV کی اوسط اور 30% 3 ماہ بینک ڈپازٹ کی شرح

22.7

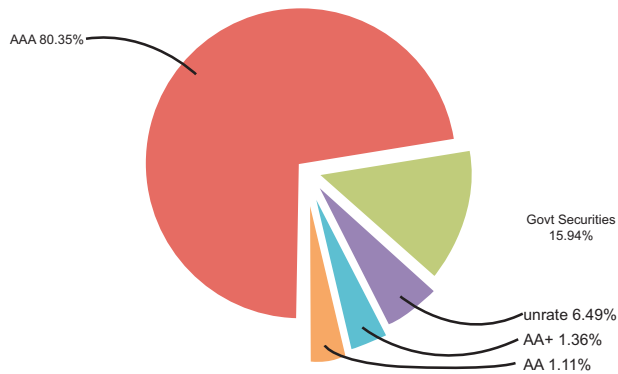
نیٹ اثاثوں کی میعاد ختم ہونے کا اوسط وزن (دن)

26,910.97

اثاثہ زیر انتظام 30 جون 2020 تک (PKR MN)



CREDIT QUALITY OF PORTFOLIO (% OF TOTAL ASSETS)



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

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

7. 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 ، 2020 کو یونٹ ہولڈنگز کا پیٹرن مالیاتی گوشوارے کے نوٹ نمبر 24 میں دیا گیا ہے۔

آڈیٹر

میسرز۔ اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹ) کو ، اے بی ایل کیش فنڈ (اے بی ایل سی ایف) کے لئے 30 جون 2021 کو ختم ہونے والے سال کے لئے دوبارہ آڈیٹر مقرر کیا گیا ہے۔

فنڈ استحکام کی درجہ بندی

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے 20 جنوری ، 2020 کو ، اے بی ایل کیش فنڈ کی فنڈ استحکام کی درجہ بندی کو 'AA+(f)' میں اپ گریڈ کیا ہے۔

مینجمنٹ کمپنی کی کوالٹی کی درجہ بندی

31 دسمبر ، 2019 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

COVID-19 لاک ڈاؤن کے مابین گرتی ہوئی نمو اور معاندانہ کاروباری ماحول نے شرح گراؤٹ کے عمل کو تیز کر دیا جہاں MPC نے صرف 3 ماہ میں پالیسی کی شرح کو 725 بی پی ایس تک کم کر دیا۔ آگے بڑھتے ہوئے ہم توقع کرتے ہیں کہ اگلے 12 سے 18 ماہ کے دوران موجودہ سود کی شرح 7.00 فیصد برقرار رہے گی۔ فنڈ سی پی ، ٹی بل اور بینک ڈپازٹس میں 3-6 ماہ کی مدت کے ساتھ اعلیٰ پیداوار میں سرمایہ کاری کی حکمت عملی اپنائے گا۔

مقصد

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

منی مارکیٹ کا جائزہ

زیر جائزہ اس عرصے کے دوران منی مارکیٹ غیر مستحکم رہی ، کیوں کہ اسٹیٹ بینک کا مؤقف مانیٹری سختی سے نرمی کی طرف بڑھا۔ مہنگائی سے نمٹنے اور PKR کے ممتاز قرضوں کے آلات میں غیر ملکی سرمایہ کاری کو راغب کرنے کے لئے ایس بی پی نے جولائی 19 میں سود کی شرحوں کو 100 بی پی ایس بڑھایا۔ تاہم ، ان منصوبوں کا خاتمہ اس وقت ہوا جب کورونا وائرس نے معاشی بحالی کی امیدوں کو ختم کیا اور ایس بی پی کو حالات سے مجبور کیا گیا کہ وہ شرح سود کو 625 بی ایس تک کم کرے۔

پاکستان انویسٹمنٹ بانڈز (پی آئی بی) کی تجارتی پیداوار 13.72 فیصد سے کم ہو کر 8.69 فیصد ہو گئی ، اس کے ساتھ ہی پیداوار کا رخ عام طور پر ڈھل گیا۔ ایک سال کے دوران ، منی مارکیٹ میں موسمی استقامت کی کمی دیکھنے میں آئی کیونکہ اسٹیٹ بینک بار بار اوپن مارکیٹ کاموں (OMOs) کے ساتھ جاری رہا۔ زیر جائزہ مدت کے اختتام پر ، اسٹیٹ بینک ایک ریورس ریپو انتظامات کے تحت 7.03% کے کٹ آف ریٹ پر پی کے آر 1,041 بلین کے خالص قرض خواہ رہا۔

ٹی بلوں کی طرف ، 3 ماہ کی کٹوتی کی پیداوار 12.75% سے کم ہو کر 7.09% ہو گئی۔ جائزہ لینے کے دوران 6 اور 12 ایم میں شرکت زیادہ رہی کیونکہ مارکیٹ کے شرکاء کی افراط زر کی توقع کم ہونا شروع ہو گئی کیونکہ ایس بی پی نے سود کی شرحوں کو کم کرنا شروع کیا۔ 12 ایم ٹی بل کے لئے کٹ آفس 608bps کی کمی سے 7.05 فیصد پر آگیا جبکہ بانڈ میں 3 ، 5 اور 10 سال کی کٹ پیداوار بالترتیب 7.35% ، 8.11% اور 8.69% پر بند ہوئی۔

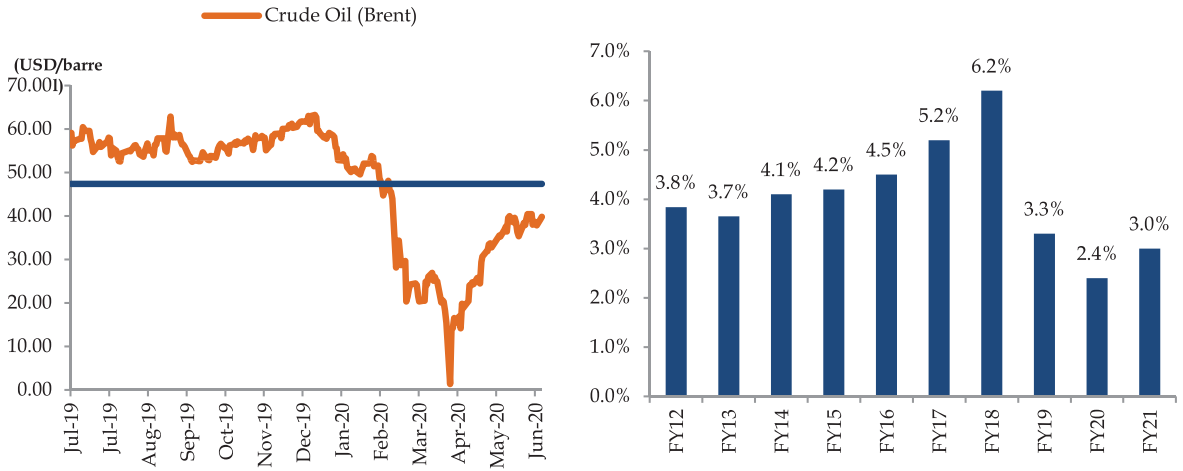
فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران ، اے بی ایل کیش فنڈ (اے بی ایل سی ایف) نے 12.61 فیصد کی غیر معمولی واپسی کی ترسیل کرتے ہوئے 99 بی پی ایس تک 11.62 فیصد کی بینچ مارک ریٹرن کو پیچھے چھوڑ دیا۔ واپسی فعال پورٹ فولیو مینجمنٹ کے ذریعے حاصل کی گئی تھی۔ واپسی کی وجہ بنیادی طور پر اعلیٰ معیار کے بینکوں کے ساتھ غیر معمولی منافع کی شرح مذاکرات کے ساتھ ساتھ ٹریڈری بلوں پر تجارتی فوائد کی وجہ تھی۔ مالی سال 20 کے اختتام پر ، بینک ذخائر میں مختص 78.98 ، ٹی بل 15.84 فیصد اور تجارتی کاغذوں میں 2.46 فیصد رہا۔ سال کے دوران ، اے بی ایل کیش فنڈ کی خالص اثاثہ جات 30 جون 2019 کو پی کے آر 21.24 بلین کے مقابلہ میں 26 جون سے 30 جون ، 2020 کو پی کے آر 26.91 بلین تک بڑھ گئیں۔

اضافی معاملات

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

GDP growth



پاکستان نے مالی سال 20 میں جی ڈی پی کی منفی نمو -0.4% YYY کی اطلاع دی ہے جو مالی سال 19 میں 3.3% سے ٹوب رہی ہے۔ وبائی مرض نے QCY202 میں معاشی سرگرمیوں کو بری طرح متاثر کیا ہے۔ اس طرح معیشت مثبت نمو کو برقرار نہیں رکھ سکی۔ جولائی-اپریل 2020 کے عرصہ میں ، بڑے پیمانے پر مینوفیکچرنگ (LSM) نے SPLY میں 2.82 فیصد کمی کے مقابلہ میں 8.96% YoY کی نمایاں کمی کی۔ ٹیکسٹائل (-8.68%) ، کوک اور پٹرولیم مصنوعات (21.15%) ، آئرن اینڈ اسٹیل مصنوعات (-15.68%) ، آٹوموبائل (-41.90%) ، دواسازی (-5.31%) ، اور الیکٹرانکس (جنوری میں کمی کو بڑھانے والے اہم شراکت کار تھے۔ -19.74%)۔ صنعت اور معیشت کی حالت کا جائزہ لیتے ہوئے ، حکومت نے سمارٹ لاک ڈاؤن کرنے کا فیصلہ کیا جہاں تمام بڑی صنعتوں کو چلانے کی اجازت دی گئی ہے۔ ہم توقع کرتے ہیں کہ اگلے مالی سال میں یہ جی ڈی پی کے سکڑنے سے بچ سکے گا۔ تاہم ، شرح نمو کے متاثر کن ہونے کی توقع نہیں کی جارہی ہے۔

آگے بڑھتے ہوئے ، خاص طور پر قلیل مدت میں ، مارکیٹ کی سمت آنے والے نتائج اور ملک میں کورونا وائرس وبائی صورتحال کی طرح طے کرے گی۔ اور اس کا اثر معیشت پر پڑتا ہے۔ توقع کی جا رہی ہے کہ حکومت کی جانب سے صنعت کو سپورٹ کرنے کے لئے جو مراعات دی گئیں وہ باقی CY20 میں بھی پوری ہوجائیں گی۔ نمایاں چیز یہ کہ قرض کے پرنسپل پر اضافی رعایتی مدت ملنا جو نقد بہاؤ کو سنبھالنے میں مدد کریں گے جبکہ معاشی سرگرمیوں کو فروغ دینے کے لئے تعمیراتی پیکج۔ اور ملک میں روزگار کے مواقع پیدا کرنا۔ ان کے علاوہ ، پالیسی کی شرح کو کافی حد تک کم کر کے 7% فیصد کر دیا گیا ہے ، جو صنعتوں اور صارفین کو ایک اور بڑی راحت ہے۔

میوچل فنڈ انڈسٹری کا جائزہ

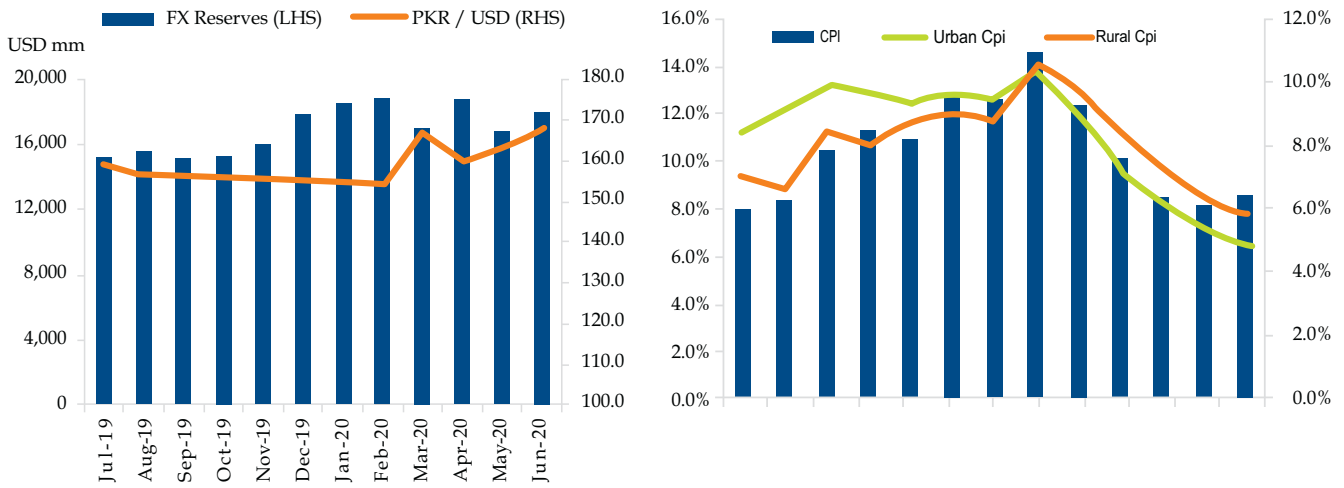
اوپن اینڈ میوچل فنڈ کے زیر انتظام کل اثاثوں میں مالی سال 20 کے دوران bn572 PKR سے bn788 PKR تک 38% کی نمایاں نمو رہی ، خاص طور پر منی مارکیٹ فنڈ اور فیکسڈ انکم فنڈ میں بڑے پیمانے پر آمدنی کی وجہ سے روایتی اور اسلامی سمیت منی مارکیٹ فنڈ میں پی کے آر bn318 سال کے اختتام پر 92% رہی اور اس میں تحاشا اضافہ دیکھنے میں آیا۔ روایتی اور شرعی دونوں کے مطابق فیکسڈ انکم فنڈ کی AUMs نے اس مدت کے دوران 66% تک اضافہ کیا۔ اس نمو کو بنیادی طور پر 9MFY20 کے دوران معاہدہ مندانہ مالیاتی پالیسی ماحول میں اعلیٰ منافع حاصل کرنے کے لئے سرمایہ کاروں کی بھوک کی وجہ قرار دیا جاسکتا ہے۔ مقررہ آمدنی کے برعکس ، اس مدت کے دوران ایکویٹی مارکیٹ AUMs میں 5% کمی واقع ہوئی ہے۔ ملک میں لاک ڈاؤن اور کورونا وائرس کے بڑھتے ہوئے معاملات سے سرمایہ کار پرخطر اثاثوں میں ہونے والی سرمایہ کاری سے محتاط رہتا ہے۔ کوویڈ-19 کی وجہ سے ایکویٹی مارکیٹ میں ہنگامہ خیزی اور مالی سال 20 کے دوران تیل کی بین الاقوامی قیمتوں میں غیر یقینی صورتحال نے ایکویٹی فنڈز کی گھٹتی اے ای ایم میں اہم کردار ادا کیا۔

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل کیش فنڈ (اے بی ایل-سی ایف) کی انتظامیہ کمپنی ، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون ، 2020 کو ختم ہونے والے سال کے لئے اے بی ایل کیش فنڈ کے آڈٹ شدہ فنانشل اسٹیٹمنٹ پیش کرنے پر خوشی محسوس کرتے ہیں۔

اقتصادی کارکردگی کا جائزہ

سپلائی کے ضمنی مسائل کے ساتھ لاک ڈاؤن نے ملک میں افراط زر کا دباؤ پیدا کیا کیونکہ جون 2010 میں ہم نے 11 ماہ میں کم شرح افادیت YoY %8.22 حاصل کرنے کے بعد جون 20 میں YOY %8.59 کی سی پی آئی دیکھی۔ مئی 20 میں ماہانہ بنیاد پر ، افراط زر میں 0.81% کا اضافہ ہوا ہے جبکہ اس سے پچھلے مہینے میں 0.32% اضافہ ہوا تھا۔ ماہ کے دوران ایشیائے خوردونوش کی قیمتوں میں زبردست اضافہ دیکھا گیا۔ مالی سال 20 کے اوسط IPCN نے SPLY میں YoY %6.80 کے مقابلہ میں YoY %10.76 پر کلک کیا۔ ہم تخمینہ رکھتے ہیں کہ مالی سال 21 کے لئے اوسطا NCPI YOY % 7.3 رہیں گے۔



کرنٹ اکاؤنٹ خسارے میں کمی (سی اے ڈی) نے ایک مستحکم BOP پوزیشن کی راہ ہموار کر دی۔ 11MFY20 کے دوران YoY %74 کی کمی سے bn3.28 ڈالر تک آیا۔ درآمدات YoY %20 کی کمی سے 46.63 بلین ڈالر رہ گئیں جبکہ عالمی سطح پر لاک ڈاؤن کے باوجود صرف 7 فیصد YOY کی طرف سے MFY2011 کے دوران bn25.99 ڈالر کی قیمت میں کمی ریکارڈ کی گئی۔ تاہم ، کارکنوں کی ترسیلات زر میں YoY %6 کا اضافہ ہوا جس کی قیمت bn23.12 ڈالر تک پہنچ گئی۔ ہمارے خیال میں کارکنوں کی ترسیلات زر کو خطرہ ختم ہوتا ہے کیونکہ پوری دنیا میں معاشی سرگرمیاں بڑھ رہی ہیں۔ تاہم ، تیل کی بین الاقوامی قیمتوں میں اضافے اور ملک میں بجلی کی طلب کو پورا کرنے کے لئے فرانس ائل درآمد کرنے کی حکومت کی جانب سے دی گئی اجازت کی وجہ سے تیل کی درآمدی زیادہ بل کی وجہ سے سی اے ڈی آنے والے مہینوں میں بڑھ سکتی ہے۔ 03 جولائی 2020 کو ملک کے زرمبادلہ کے ذخائر 18.79 بلین ڈالر ہیں۔ جو 3.09 ماہ کا درآمدی احاطہ فراہم کرتا ہے۔ وبائی مرض سے لڑنے کے لئے ، آئی ایم ایف ، اے ڈی پی ، ڈبلیو بی اور دوست ممالک کے ساتھ ساتھ پیرس کلب سمیت متعدد بین الاقوامی ادارے ، پاکستان کی مدد کے لئے آگے آئے ہیں جس کے نتیجے میں ذخائر مستحکم ہوئے ہیں۔ مالی سال کی بات ہے تو ، مالی سال 20 کے دوران ، عارضی ٹیکس وصولی 3.98tn PKR تک پہنچ گئی ہے ، جو YoY 4% کے اضافے کی عکاسی کرتی ہے۔ جون 20 کے مہینے کے دوران ، ٹیکس وصولی 398bn PKR کے ترمیم شدہ ہدف کے مقابلے 420bn PKR پر رہی۔

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