



ABL ISLAMIC CASH FUND
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

Annual **REPORT**



ABL Asset Management

Discover the potential

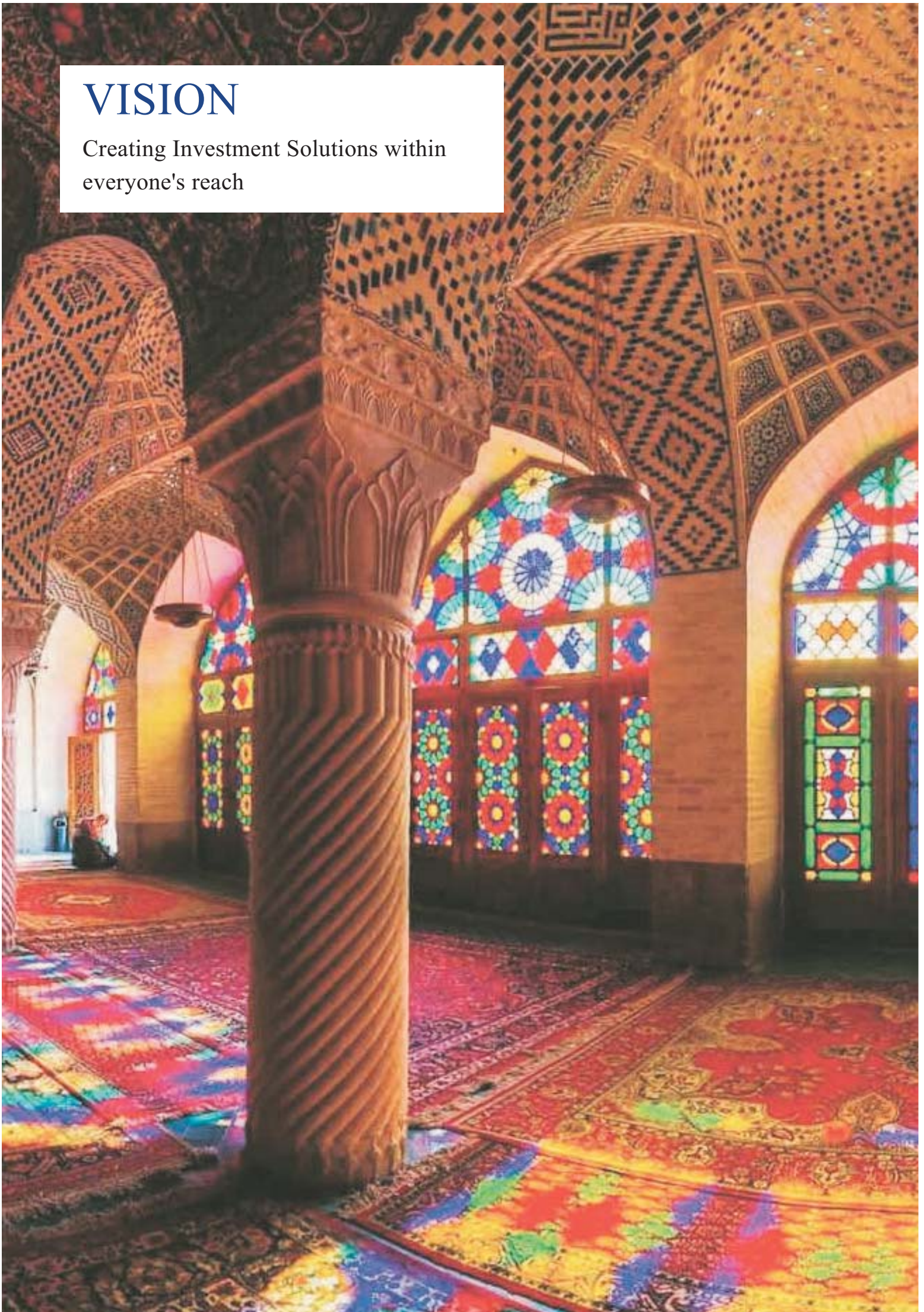


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VISION

Creating Investment Solutions within everyone's reach





Mission & Core Values

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

To set the highest industry standards in terms of product ranges and innovations, in order to offer products for clients of all demographics.

To adhere to the highest industry standard for integrity and quality across all the spheres of the company.

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

To enhance Stakeholders Value.



FUND'S INFORMATION

Management Company:	ABL 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:	Dubai Islamic Bank	
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	



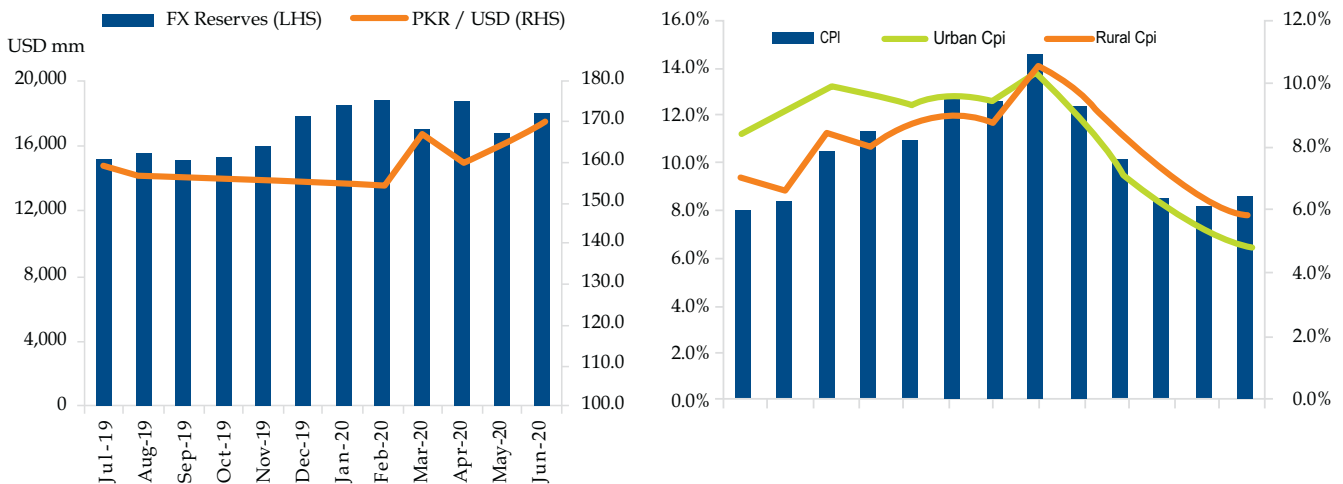


REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

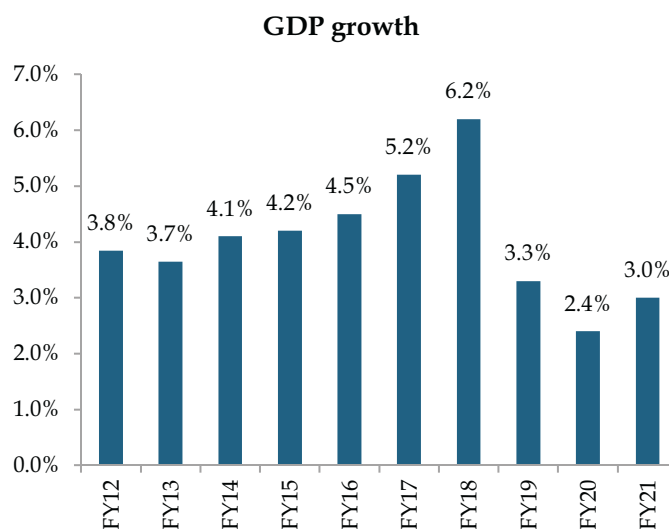
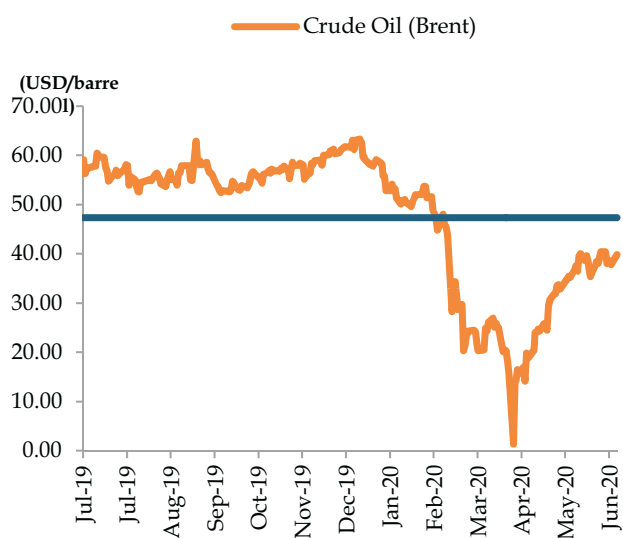
The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Islamic Cash Fund (ABL-ICF), is pleased to present the Audited Financial Statements of ABL Islamic Cash Fund for the period ended June 30, 2020.

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.

ISLAMIC MONEY MARKET REVIEW

During the period under review money market remained the volatile, as SBP's stance moved from monetary tightening to easing. SBP raised interest rates in July19 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 to cut interest rate by 625bps by the end of Jun'20. During FY20, the Government issued Pakistan Energy Sukuk (PES) I and II and raised PKR 200bn in each round to address circular debt in power sector. PES-1 got listed on Pakistan Stock Exchange on Oct 24, 2019 and offered six month Kibor plus 80bps to be paid semi-annually. The tenor of PES-1 is 10 year. Similarly, Government issued PES-2 in May 2020 at six month KIBOR minus 10bps having maturity of 10 years. Moreover, Government also issued two Ijarah's worth PKR 75bn each. Additionally, Corporate sector also enthusiastically participated in Islamic debt market to meet its capital needs as we have witnessed healthy issuance of Islamic instruments by corporates during FY20.

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 1041 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 FY'20, ABL Islamic Cash Fund generated a return of 10.03% against the benchmark return of 5.19%. Outperformance can largely be attributed towards placement of funds with banks at attractive rates.

During the year, ABL Islamic Cash Fund's AUM's increased to PKR 1.492 billion as compared to PKR 1,169.3 million since its launch in Feb'20. On asset allocation side, fund had majority exposure in Cash that stood at 86.62%, exposure in Commercial Paper stood at 6.57% and 5.68% of the funds exposure was placed as Short Term Corporate Sukuks at the end of June'20.

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 Islamic Cash Fund (ABL-ICF).

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'.

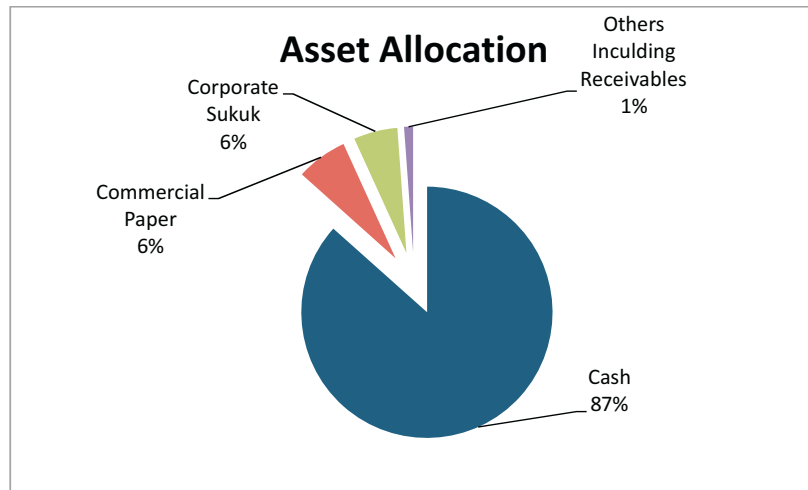
OUTLOOK

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.

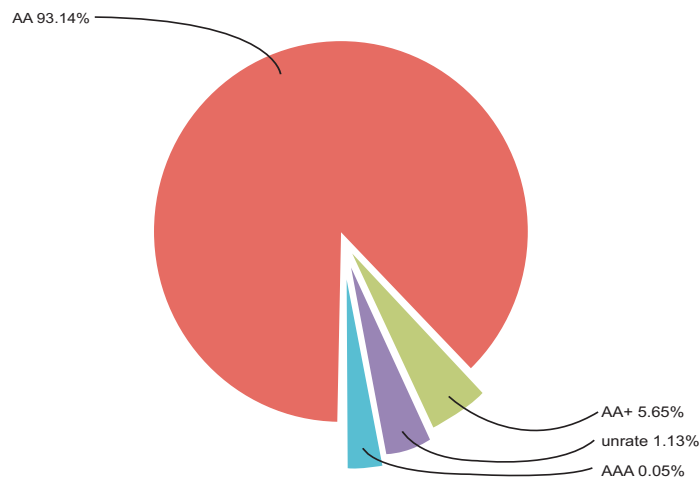
The fund will continue to maintain most of its exposure in Banks and will look for opportunities to invest in high quality Islamic Commercial Papers.

ABL Islamic Cash Fund Performance	FY-2020
Yield	10.03%
*Average deposit rates of three (3) AA Islamic Banks	5.19%
Weighted Average Time to Maturity of Net Assets (days)	12.5
Asset under management as at June 30, 2020 (PKR mn)	1492.96





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

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Cash Income Fund (ABL-ICF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Islamic Cash Fund for the period ended March 31, 2019.

ISLAMIC MONEY MARKET REVIEW

During the period under review money market remained the volatile, as SBP's stance moved from monetary tightening to easing. SBP raised interest rates in July'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 to cut interest rate by 625bps by the end of Jun'20. During FY20, the Government issued Pakistan Energy Sukuk (PES) I and II and raised PKR 200bn in each round to address circular debt in power sector. PES-1 got listed on Pakistan Stock Exchange on Oct 24, 2019 and offered six month Kibor plus 80bps to be paid semi-annually. The tenor of PES-1 is 10 year. Similarly, Government issued PES-2 in May 2020 at six month KIBOR minus 10bps having maturity of 10 years. Moreover, Government also issued two Ijarah's worth PKR 75bn each. Additionally, Corporate sector also enthusiastically participated in Islamic debt market to meet its capital needs as we have witnessed healthy issuance of Islamic instruments by corporates during FY20.

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FUND PERFORMANCE

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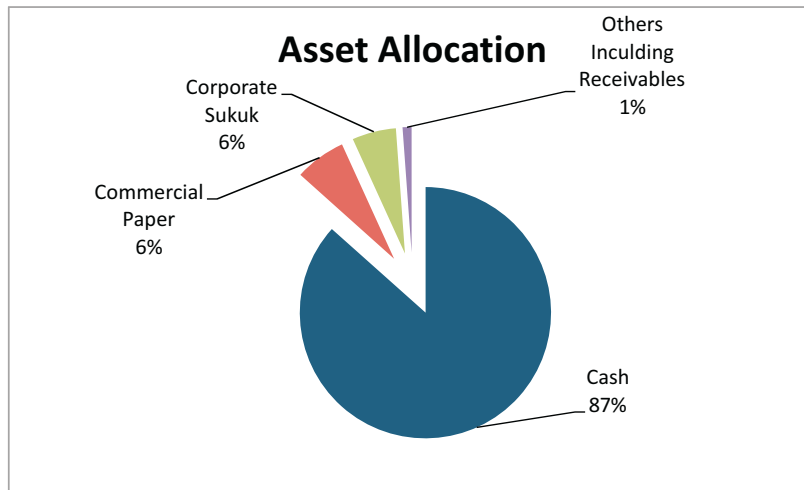
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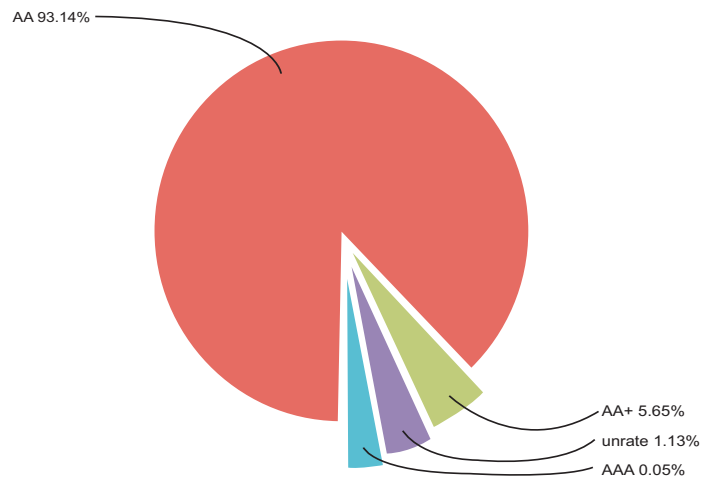
ABL Islamic Cash Fund Performance

FY-2020

Yield	10.03%
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Weighted Average Time to Maturity of Net Assets (days)	12.5
Asset under management as at June 30,2020 (PKR mn)	1492.96
Closing NAV per unit as on June 30,2020 (PKR) (Ex-Dividend)	9.9392



CREDIT QUALITY OF PORTFOLIO (% OF TOTAL ASSETS)





PERFORMANCE TABLE

**For the period from
February 13, 2020
to June 30, 2020
Rupees per '000**

Net Assets	<u><u>1,492,966</u></u>
Net Income	<u><u>50,453</u></u>

Rupees per unit

Net Assets value	<u><u>10.0000</u></u>
Distribution*	<u><u>0.3750</u></u>
Closing offer price	<u><u>10.1160</u></u>
Closing repurchase price	<u><u>10.0000</u></u>
Highest offer price	<u><u>10.1415</u></u>
Lowest offer price	<u><u>10.1179</u></u>
Highest repurchase price per unit	<u><u>10.0252</u></u>
Lowest repurchase price per unit	<u><u>10.0019</u></u>

Percentage

Total return of the fund	
- capital growth	<u><u>0.00%</u></u>
- income distribution	<u><u>10.03%</u></u>
Average return of the fund Since Inception	<u><u>10.03%</u></u>

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office

CDC House, 99-B, Block 'B'
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 ISLAMIC 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 Islamic 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 from February 13, 2020 to 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 24, 2020



ABLICF
ABL ISLAMIC CASH FUND



ABL Asset Management
Discover the potential

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

September 16, 2020

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

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


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

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2020 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in ABL Islamic Cash Fund (ABL-ICF) managed by ABL Asset Management Company are halal and in accordance with Shariah principles.

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

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



Mufti Irshad Ahmad Aijaz
Member Shariah Council



Faraz Younus Bandukda, CFA
Chief Executive



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

Introduction

We were engaged by the Board of Directors of **ABL Asset Management Company Limited** (the Management Company) to report on the Management Company's assessment of compliance with the Shariah Principles of **ABL Islamic Cash Fund** (the Fund), as set out in the annexed Statement of Compliance with the Shariah Principles (the Statement) prepared by the Management Company for the period from February 13, 2020 to June 30, 2020, in the form of an independent reasonable assurance conclusion about whether the annexed statement reflects, in all material respects the status of compliance of the Fund with the Shariah Principles as specified in the Trust Deed and the guidelines issued by the Shariah Advisor. Our engagement was conducted by a team of assurance practitioners.

Applicable Criteria

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

Management's Responsibility for Shariah Compliance

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

Our Independence and Quality Control

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

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

Our responsibility and summary of work performed

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

A.F.C.O.

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

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A.F. FERGUSON & CO.

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

The procedures performed primarily comprised the following:

- checking compliance of specific guidelines relating to charity, maintaining bank accounts and for making investments of the Fund.
- checking that the Shariah Advisor has certified that the operations of the Fund, its investments and placements made during the period from February 13 2020 to June 30, 2020 are in compliance with the Shariah Principles.

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

Conclusion

Based on the procedures performed during our reasonable assurance engagement, we report that in our opinion, the annexed Statement presents fairly, in all material respects, the status of the Fund's compliance with the Shariah Principles specified in the Trust Deed and in the guidelines issued by the Shariah Advisor for the period from February 13, 2020 to June 30, 2020.

A.F. Ferguson & Co.

Chartered Accountants

Dated: September 24, 2020

Karachi



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of ABL Islamic Cash Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ABL Islamic Cash Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2020, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the period from February 13, 2020 to June 30, 2020, 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 period from February 13, 2020 to June 30, 2020 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. 1,259.807 million and Rs. 183.233 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>

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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 approval of the Board of Directors of the management company in relation to opening of bank accounts. ▪ 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.

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A.F. FERGUSON & CO.

- 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.
A.F. Ferguson & Co.
Chartered Accountants
Karachi

Date: September 24, 2020





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

	Note	June 30, 2020 Rupees in '000
Assets		
Bank balances	4	1,295,807
Investments	5	183,233
Profit receivable	6	10,134
Preliminary expenses and floatation costs	7	1,016
Receivable against sale of units		2,270
Advance and other receivable	8	3,529
Total assets		1,495,989
Liabilities		
Payable to ABL Asset Management Company Limited - Management Company	9	1,478
Payable to Central Depository Company of Pakistan Limited - Trustee	10	93
Payable to the Securities and Exchange Commission of Pakistan	11	105
Payable against redemption of units		15
Accrued expenses and other liabilities	12	1,332
Total liabilities		3,023
NET ASSETS		<u>1,492,966</u>
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		<u>1,492,966</u>
CONTINGENCIES AND COMMITMENTS	13	
		Number of units
NUMBER OF UNITS IN ISSUE		<u>149,296,754</u>
		-----Rupees-----
NET ASSET VALUE PER UNIT		<u>10.0000</u>

The annexed notes from 1 to 31 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)


 Saqib Matin
 Chief Financial Officer


 Alee Khalid Ghaznavi
 Chief Executive Officer


 Pervaiz Iqbal Butt
 Director

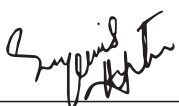


**ABL ISLAMIC CASH FUND
INCOME STATEMENT
FOR THE PERIOD FROM FEBRUARY 13, 2020 TO JUNE 30, 2020**


	Note	For the period from February 13, 2020 to June 30, 2020 Rupees in '000
Income		
Profit earned	14	53,162
Gain on sale of investments - net		469
Total income		<u>53,631</u>
Expenses		
Remuneration of ABL Asset Management Company Limited - Management Company	9.1	1,341
Punjab Sales Tax on remuneration of the Management Company	9.2	215
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	341
Sindh Sales Tax on remuneration of the Trustee	10.2	44
Annual fees to the Securities and Exchange Commission of Pakistan	11.1	105
Securities transaction costs		5
Auditors' remuneration	15	236
Legal and professional charges		50
Listing fee		482
Amortisation of preliminary expenses and floatation costs	7	84
Annual rating fee		174
Printing charges		100
Bank charges		1
Total operating expenses		<u>3,178</u>
Net income for the period before taxation		<u>50,453</u>
Taxation	17	-
Net income for the period after taxation		<u><u>50,453</u></u>
Earnings / (loss) per unit	18	
Allocation of net income for the period		
Net income for the period after taxation		50,453
Income already paid on units redeemed		(361)
		<u>50,092</u>
Accounting income available for distribution:		
- Relating to capital gains		469
- Excluding capital gains		49,623
		<u><u>50,092</u></u>

The annexed notes from 1 to 31 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)


Saqib Matin
Chief Financial Officer


Aleo Khalid Ghaznavi
Chief Executive Officer


Pervaiz Iqbal Butt
Director



ABL ISLAMIC CASH FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM FEBRUARY 13, 2020 TO JUNE 30, 2020

For the period
from February
13, 2020 to June
30, 2020
Rupees in '000

Net income for the period after taxation	50,453
Other comprehensive income for the period	-
Total comprehensive income for the period	50,453

The annexed notes from 1 to 31 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

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ABL ISLAMIC CASH FUND



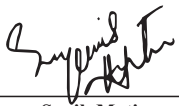
A ABL Asset Management
Discover the potential

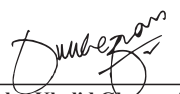
**ABL ISLAMIC CASH FUND
CASH FLOW STATEMENT
FOR THE PERIOD FROM FEBRUARY 13, 2020 TO JUNE 30, 2020**

	Note	For the period from February 13, 2020 to June 30, 2020 Rupees in '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation		50,453
Adjustments for:		
Profit earned		(53,162)
Amortisation of preliminary expenses and floatation costs		84
		(53,078)
Increase in assets		
Advance and other receivable		(3,529)
Increase in liabilities		
Payable to ABL Asset Management Company Limited - Management Company		378
Payable to Central Depository Company of Pakistan Limited - Trustee		93
Payable to the Securities and Exchange Commission of Pakistan		105
Accrued expenses and other liabilities		1,332
		1,908
		(4,246)
Profit received		43,028
Net amount paid on purchase and sale of investments		(183,233)
Net cash used in operating activities		(144,451)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash dividend paid		(50,092)
Receipts from issuance of units - net of refund of element		3,497,023
Net payments against redemption of units		(2,006,673)
Net cash generated from financing activities		1,440,258
Net increase in cash and cash equivalents		1,295,807
Cash and cash equivalents at the commencement of fund		-
Cash and cash equivalents at the end of the period	4	1,295,807

The annexed notes from 1 to 31 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)


Saqib Matin
Chief Financial Officer


Alee Khalid Ghaznavi
Chief Executive Officer


Pervaiz Iqbal Butt
Director



ABL ISLAMIC CASH FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM FEBRUARY 13, 2020 TO JUNE 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Islamic Cash Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on November 01, 2019 between ABL Asset Management Company Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Offering Document of the Fund has been revised through the First Supplements dated February 18, 2020 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. SCD/AMCW/ABL-AMC/215/2018 dated December 10, 2018 in accordance with the requirements 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 open ended Islamic Money Market Scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the Securities and Exchange Commission of Pakistan and is in the process of being listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

1.3 The objective of the Fund is to provide competitive returns by investing in low risk and highly liquid Shari'ah compliant money market instruments.

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

1.5 As per the offering document approved by the SECP, the accounting period, in case of the first such period, shall commence from the date on which the trust property is first paid or transferred to the Trustee. Accordingly, these financial statements have been prepared for the period from February 13, 2020 to June 30, 2020.

1.6 This is the first accounting period of the Fund and hence there are no comparative figures.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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



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

The following amendments to published accounting and reporting standards would be effective from the dates mentioned below against the respective amendments:

Standards, interpretations and amendments	Effective date (accounting periods beginning on or after)
- IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 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.

2.2.1 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.

2.3 Critical accounting estimates and judgments

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

The estimates and judgments that have a significant effect on these financial statements of the Fund relate to classification and valuation of financial assets (notes 3.2 and 5) and provision for taxation (notes 3.14 and 17).

2.4 Accounting convention

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

2.5 Functional and presentation currency

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below:

3.1 Cash and cash equivalents

These comprise balances with banks in savings and current accounts.

3.2 Financial assets

3.2.1 Initial recognition and measurement

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

3.2.2 Classification and subsequent measurement

Debt instruments

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

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

based on the business model of the entity.

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

3.2.3 Impairment

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

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

3.2.4 Impairment loss on debt securities

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

3.2.5 Regular way contracts

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

3.2.6 Derecognition

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

3.3 Financial liabilities

3.3.1 Classification and subsequent measurement

Financial liabilities are classified and subsequently measured at amortised cost.

3.3.2 Derecognition

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

3.4 Offsetting of financial assets and financial liabilities

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

3.5 Provisions

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

3.6 Net asset value per unit

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

3.7 Issue and redemption of units

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

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

3.8 Distributions to unit holders

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

Distributions declared subsequent to the period 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.

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

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

3.10 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise.
- Income from investments in sukuks is recognised on an accrual basis using effective interest method.
- Profit on bank balances is recognised on an accrual basis.
- Dividend income is recognised when the right to receive the dividend is established.

3.11 Expenses

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

3.12 Preliminary expenses and floatation costs

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

3.13 Foreign currency translation

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

3.14 Taxation

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

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

3.15 Earnings per unit

Earnings per unit is calculated by dividing the net income of the period before taxation of the Fund by the weighted average number of units outstanding during the period. The determination of earning per unit is not practicable as disclosed in note 18.



		Note	June 30, 2020
			Rupees in '000
4	BANK BALANCES		
	Balances with banks in savings accounts	4.1	<u>1,295,807</u>

4.1 This includes balance of Rs 0.873 million maintained with Allied Bank Limited (a related party) that carries profit at 6.00% per annum. Other savings accounts of the Fund carry profit at the rate of 7.50% per annum.

		Note	June 30, 2020
			Rupees in '000
5	INVESTMENTS		
	At fair value through profit or loss		
	Sukuk certificates	5.1	85,000
	Commercial papers	5.2	<u>98,233</u>
			<u>183,233</u>

5.1 Sukuk Certificates

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at February 13, 2020	Purchases during the period	Sales / redemptions during the period	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020	Unrealised appreciation / (diminution)	Percentage in relation to	
				Number of certificates				(Rupees in '000)			Net assets of the Fund	Total market value of investment
												%
Hub Power Company Limited (Face value of 100,000 per certificate)	Semi-annually	November 19, 2020	6 months KIBOR plus base rate of 1.50%	-	850	-	850	85,000	85,000	-	5.69%	46.39%
Total as at June 30, 2020								<u>85,000</u>	<u>85,000</u>	<u>-</u>	<u>5.69%</u>	<u>46.39%</u>

5.2 Commercial Papers

Name of Investee Company	Face value (Rupees in '000)				Rupees in '000		Market value as a percentage of total investments	Market value as a percentage of net assets
	As at February 13, 2020	Purchased during the period	Disposed / matured during the period	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020		
K-Electric Limited CP -6 (A-1+, PACRA)	-	200,000	100,000	100,000	98,233	98,233	53.61%	6.58%
Total as at June 30, 2020					<u>98,233</u>	<u>98,233</u>	<u>53.61%</u>	<u>6.58%</u>

5.2.1 This carries yield at the rate of 11.80% per annum and is due to mature by August 26, 2020.

		Note	June 30, 2020
			Rupees in '000
6	PROFIT RECEIVABLE		
	Profit receivable on:		
	Bank balances		9,174
	Sukuk certificates		<u>960</u>
			<u>10,134</u>

7 PRELIMINARY EXPENSES AND FLOATATION COSTS

			1,100
	Preliminary expenses and floatation costs incurred		(84)
	Less: amortisation during the period		<u>1,016</u>
	At the end of the period	7.1	<u>1,016</u>



7.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are being amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

8 ADVANCE AND OTHER RECEIVABLE	Note	June 30, 2020 Rupees in '000
Balance in IPS account *		20
Advance tax	8.1	3,509
		<u>3,529</u>

* a related party balance

8.1 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 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 withholder. The tax withheld on profit on bank deposits amounts to Rs 3.509 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 debt securities and dividend income 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.

9 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY - RELATED PARTY	Note	June 30, 2020 Rupees in '000
Management fee payable	9.1	326
Punjab Sales Tax payable on remuneration of the Management Company	9.2	52
Preliminary expenses and floatation cost payable		1,100
		<u>1,478</u>

9.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% per annum of the average net assets of the Fund during the period ended June 30, 2020. The remuneration is payable to the Management Company monthly in arrears.

9.2 During the period, an amount of Rs. 0.215 million was charged on account of sales tax on management fee levied through Punjab Sales Tax on Services Act, 2012. During the period Punjab sales tax has been charged at the rate of 16%.

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY	Note	June 30, 2020 Rupees in '000
Trustee fee payable	10.1	82
Sindh Sales Tax payable on trustee fee	10.2	11
		<u>93</u>

10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.065% per annum of net assets. Accordingly the Fund has charged trustee fee at the above mentioned rate during the period.

10.2 During the period, an amount of Rs. 0.044 million was charged on account of sales tax @ 13% on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011.

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	June 30, 2020 Rupees in '000
Annual fee payable	11.1	<u>105</u>

11.1 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). The Fee has been charged at 0.02% of net assets during the period.



12 ACCRUED EXPENSES AND OTHER LIABILITIES	June 30, 2020 Rupees in '000
Auditors' remuneration payable	182
Printing charges payable	94
Brokerage fee payable	5
Legal and professional charges payable	50
Dividend payable	2
Withholding tax payable	986
Capital gain tax payable	1
Others	12
	<u>1,332</u>

13 CONTINGENCIES AND COMMITMENTS

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

For the period
from February
13, 2020 to
June 30, 2020
Rupees in '000

14 PROFIT EARNED

Profit earned on:

Savings accounts	47,614
Sukuk certificates	960
Commercial paper	4,588
	<u>53,162</u>

15 AUDITORS' REMUNERATION

Annual audit fee	216
Out of pocket expenses	20
	<u>236</u>

16 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2019 is 0.23% which includes 0.03% 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.

17 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 period 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 period.

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.

18 EARNINGS / (LOSS) PER UNIT

Earnings / (loss) 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.



19 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 19.1** Connected persons include ABL Asset Management Company being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 19.2** Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 19.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008.
- 19.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 19.5** The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

June 30, 2020
Rupees in '000

ABL Asset Management Company Limited - Management Company

Remuneration charged	1,341
Punjab Sales Tax on remuneration of the Management Company	215
Issue of 14,225,874 units	142,279
Redemption of 3,998,960 units	40,000
Outstanding 10,226,914 units	102,269

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	341
Sindh Sales Tax on remuneration of the Trustee	44

Allied Bank Limited

Profit on savings accounts	634
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Barrett Hodgson Pakistan (Private) Limited

Issue of 21,818,118 units	218,462
Outstanding 21,818,118 units	218,181

Jubilee Life Insurance Company Limited

Issue of 20,647,573 units	206,476
Outstanding 20,647,573 units	206,476

Shafi Gluco-Chem (Private) Limited

Issue of 17,906,945 units	179,151
Outstanding 17,906,945 units	179,069

Fauji Fertilizer Company Limited

Issue of 95,384,420 units	954,281
Redemption of 49,931,594 units	500,000
Outstanding 45,452,826 units	454,528



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

20 FINANCIAL INSTRUMENTS BY CATEGORY

	June 30, 2020		
	At amortised cost	At fair value through profit or loss	Total
	----- Rupees in '000 -----		
Financial assets			
Bank balances	1,295,807	-	1,295,807
Investments	-	183,233	183,233
Profit receivable	10,134	-	10,134
Receivable against sale of units	2,270	-	2,270
Advance and other receivable	20	-	20
	<u>1,308,231</u>	<u>183,233</u>	<u>1,491,464</u>

	June 30, 2020	
	At amortised cost	Total
	----- Rupees in '000 -----	
Financial liabilities		
Payable to ABL Asset Management Company Limited - Management Company	1,478	1,478
Payable to Central Depository Company of Pakistan Limited - Trustee	93	93
Payable against redemption of units	15	15
Accrued expenses and other liabilities	345	345
	<u>1,931</u>	<u>1,931</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 bank deposits, sukuk certificates and commercial papers. 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 banks balances and KIBOR based sukuk certificates 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 period and net assets of the Fund would have been higher / lower by Rs. 13.808 million.

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2020, the Fund holds commercial papers 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 with all other variables held constant, the net income for the period and net assets of the Fund would have been higher / lower by Rs 0.982 million.

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:

----- June 30, 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	6.00% - 7.50%	1,295,807	-	-	1,295,807
Investments	9.59% - 11.80%	98,233	85,000	-	183,233
Profit receivable		-	-	10,134	10,134
Receivable against sale of units		-	-	2,270	2,270
Advance and other receivable		-	-	20	20
		1,394,040	85,000	12,424	1,491,464
Financial liabilities					
Payable to ABL Asset Management Company Limited - Management Company		-	-	1,478	1,478
Payable to Central Depository Company of Pakistan Limited- Trustee - Trustee		-	-	93	93
Payable against redemption of units		-	-	15	15
Accrued expenses and other liabilities		-	-	345	345
		-	-	1,931	1,931
On-balance sheet gap		1,394,040	85,000	-	1,489,533
Total interest rate sensitivity gap		1,394,040	85,000	-	
Cumulative interest rate sensitivity gap		1,394,040	1,479,040	1,479,040	

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

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

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 period.

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

June 30, 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	1,295,807	-	-	-	-	1,295,807
Investments	-	98,233	85,000	-	-	183,233
Profit receivable	9,174	-	960	-	-	10,134
Receivable against sale of units	2,270	-	-	-	-	2,270
Advance and other receivable	20	-	-	-	-	20
	1,307,271	98,233	85,960	-	-	1,491,464

Financial liabilities

Payable to ABL Asset Management Company Limited - Management Company	1,478	-	-	-	-	1,478
Payable to Central Depository Company of Pakistan Limited - Trustee	93	-	-	-	-	93
Payable against redemption of units	15	-	-	-	-	15
Accrued expenses and other liabilities	163	182	-	-	-	345
	1,749	182	-	-	-	1,931

Net financial assets

	1,305,522	98,051	85,960	-	-	1,489,533
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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:



June 30, 2020	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- Rupees in '000 -----	
Bank balances	1,295,807
Investments	183,233
Profit receivable	10,134
Receivable against sale of units	2,270
Advance and other receivable	20
	<u>1,491,464</u>
	<u>1,491,464</u>

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

21.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks its mark-up accrued and sukuk certificates thereon. The credit rating profile of banks, sukuk certificates and commercial papers is as follows:

	June 30, 2020
Rating	% of financial assets exposed to credit risk
Bank balances	
AAA	0.06%
AA	87.44%
Commercial papers	
A-1+	6.59%
Sukuk certificates	
AA+	5.76%
	<u>99.85%</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.

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

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

Fair value hierarchy

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

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

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

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

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



June 30, 2020		
Level 1	Level 2	Level 3
----- Rupees in '000-----		
Financial assets		
Commercial papers*	98,233	-
Sukuk certificates **	85,000	-
	<u>183,233</u>	<u>-</u>

* The valuation of commercial papers 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 on the 'Statement of Movement in Unit Holders' Fund'.

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

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

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

24 UNIT HOLDING PATTERN OF THE FUND

Category	June 30, 2020		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Individuals	21	28,438	1.90%
Associated companies	1	102,269	6.85%
Insurance companies	3	247,813	16.60%
Retirement Funds	2	6,926	0.46%
Public limited companies	9	1,025,648	68.71%
Others	2	81,872	5.48%
	<u>38</u>	<u>1,492,966</u>	<u>100.00%</u>

25 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of broker	Percentage of commission paid
Paramount Capital (Private) Limited	100.00%

25.1 The fund has traded with only the above mentioned 1 broker / dealer during the period ended June 30, 2020.



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
Mr. Abdul Rehman Tahir	Fund Manager - Fixed Income	MBA	ABL Islamic Asset Allocation Fund and ABL Islamic Income 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 MANAGEMENT COMPANY

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



30 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on _____.

31 GENERAL

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

31.2 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.

31.3 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



10.03%

پیداوار

5.19%

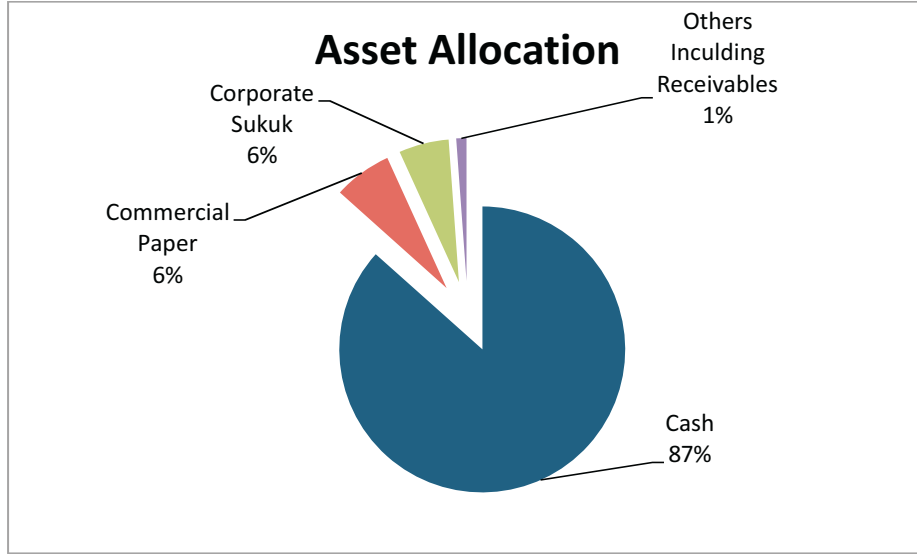
3 اے درجہ بند اسلامی بینکوں کے بینک ڈپازٹ کی اوسط شرح

12.5

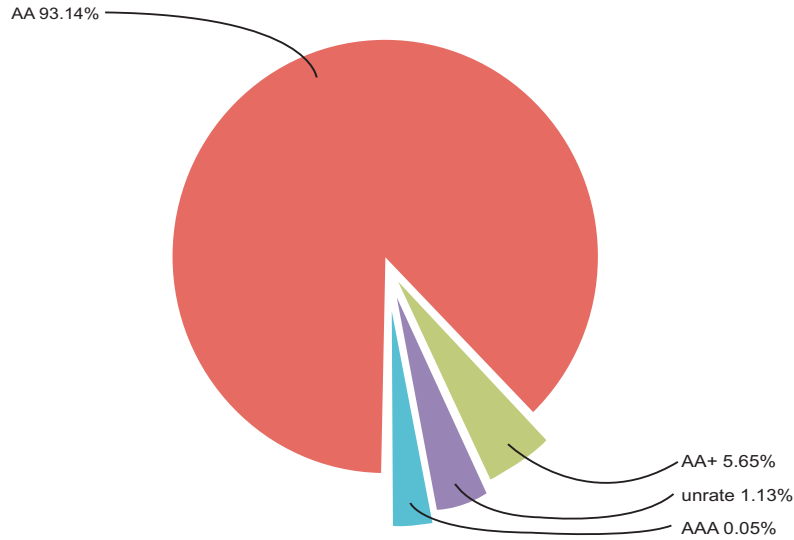
نیٹ اثاثوں کی میعاد ختم ہونے کا اوسط وزن (دن)

1492.96

اثاثہ زیر انتظام 30 جون 2020 تک (PKR MN)



CREDIT QUALITY OF PORTFOLIO (% OF TOTAL ASSETS)



اعتراف

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، ٹرسٹی (ایم سی بی فنانشل سروسز 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



3. فنڈ کے اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئیں۔

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

5. متعلقہ بین الاقوامی اکاؤنٹنگ معیارات ، جیسا کہ پاکستان میں لاگو ہوتا ہے ، غیر بینکاری فنانس کمپنیوں (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 ، ڈیوٹیوں ، محصولات اور محصولات اور مالی معاوضوں میں پہلے ہی انکشاف کے علاوہ دیگر معاوضوں کی وجہ سے کوئی قانونی ادائیگی نہیں ہے۔

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

11. 30 جون ، 2020 کو یونٹ ہولڈنگز کا پیٹرن مالیاتی گوشوارے کے نوٹ نمبر 24 میں دیا گیا ہے۔

آڈیٹر

میسرز ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) اے بی ایل اسلامک کیش فنڈ (اے بی ایل - آئی سی ایف) کے لئے 30 جون 2021 کو ختم ہونے والے سال کے لئے بطور آڈیٹر مقرر ہوئے ہیں۔

مینجمنٹ کمپنی کی کوالیٹی 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

COVID-19 لاک ڈاؤن کے مابین گرتی ہوئی شرح 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۔

یہ فنڈ بینکوں میں اپنے بیشتر نمائش کو برقرار رکھے گا اور اعلیٰ معیار کے اسلامی کمرشل پیپرز میں سرمایہ کاری کے مواقع تلاش کرے گا۔



اسلامی منی مارکیٹ کا جائزہ

زیر جائزہ اس مدت کے دوران منی مارکیٹ غیر مستحکم رہی ، کیونکہ اسٹیٹ بینک کا موقف مانیٹری سخت ہونے سے نرمی کی طرف بڑھ گیا۔ 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 میں 100 بی پی ایس کا اضافہ کیا۔ تاہم ، ان منصوبوں کا خاتمہ اس وقت ہوا جب کورونا وائرس نے معاشی بحالی کی امیدوں کو ختم کیا اور ایس بی پی کو جون 20 کے اختتام تک سود کی شرح کو 625 ps تک کم کرنے پر مجبور کیا گیا۔

مالی سال 20 کے دوران ، حکومت نے پاکستان انرجی سکوک (I) PES اور II جاری کیا اور بجلی کے شعبے میں سرکلر قرضوں سے نمٹنے کے لئے ہر دور میں پی کے آر bn200 بڑھایا۔ پی ای ایس -1 24 اکتوبر 2019 کو پاکستان اسٹاک ایکسچینج میں درج ہوا اور اس نے چھ ماہ KIBOR کے علاوہ 80 بی پی ایس کی پیش کش کی کہ نیم سالانہ ادائیگی کی جائے۔ PES-1 کا ٹینر 10 سال ہے۔ اسی طرح ، حکومت نے PES-2 مئی 2020 میں چھ ماہ کے KIBOR مائنس 10 GPS پر 10 سال کی پختگی کے ساتھ جاری کیا۔ مزید یہ کہ حکومت نے دو اجارہ کی قیمت کے پی کے آر nb75 ہر ایک کو بھی جاری کیا۔ مزید برآں ، کارپوریٹ سیکٹر نے بھی اپنی قرضوں کی ضروریات کو پورا کرنے کے لئے اسلامی قرضوں کی منڈی میں جوش و خروش سے حصہ لیا کیونکہ ہم نے مالی سال 20 کے دوران کارپوریٹوں کے ذریعہ اسلامی آلات جاری رکھنے کا مشاہدہ کیا ہے۔

پاکستان انویسٹمنٹ بانڈ (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 استفادت کی کمی دیکھنے میں آئی کیونکہ اسٹیٹ بینک بار بار اوپن مارکیٹ آپریشن (OMOs) کے ساتھ جاری رہا۔ زیر جائزہ مدت کے اختتام پر ، اسٹیٹ بینک ایک ہی ریورس ریپو انتظامات کے تحت 7.03% کے کٹ آف ریٹ پر پی کے آر 1041 ارب کا خالص قرض خواہ رہا۔

ٹی بلوں کی طرف ، 3 ماہ کی کٹوتی کی پیداوار 12.75 فیصد سے کم ہو کر 7.09 فیصد 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 آف ~ bps608 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

مالی سال 20 کے دوران ، اے بی ایل اسلامک کیش فنڈ نے 5.19% بینچ مارک ریٹرن کے مقابلے میں 10.03% کی واپسی حاصل کی۔ کارکردگی کو بڑے پیمانے پر بینکوں کے ساتھ پرکشش نرخوں پر فنڈز لگانے کی طرف منسوب کیا جاسکتا ہے۔

سال کے دوران ، اے بی ایل اسلامک کیش فنڈ کی AUM کی شرح 1,169.3 PKR ملین کے مقابلے میں 1.492 PKR بلین ہو گئی ہے جبکہ کے یہ فروری 20 میں شروع ہوا ہے۔ اثاثہ مختص کرنے کی طرف ، فنڈ کو کیش میں اکثریت کے طور پر رکھا گیا تھا جو 86.62% رہی ، کمرشل پیپر میں نمائش 6.57% رہی اور فنڈز کی نمائش کا 5.68% جون 20 کے آخر میں شارٹ ٹرم کارپوریٹ سکوکس کے طور پر رکھا گیا تھا۔

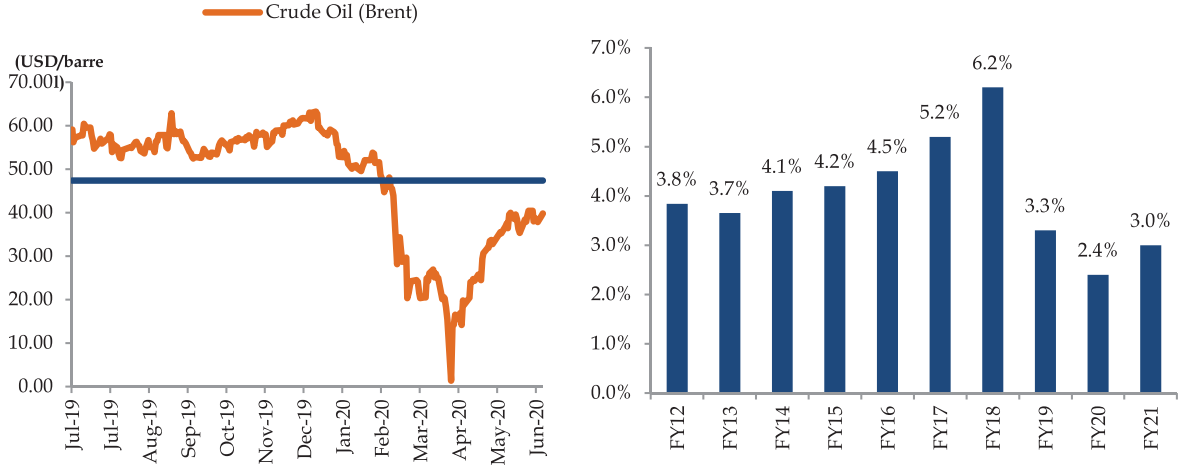
اضافی معاملات

1. انتظامیہ کمپنی کے ڈائریکٹرز کی تفصیل اس سالانہ رپورٹ میں ظاہر کی گئی ہے۔

2. مالی بیانات معاملات کی منصفانہ حالت ، پیش کردہ کارروائیوں ، نقد بہاؤ اور یونٹ ہولڈر کے فنڈ میں بدلاؤ پیش کرتے ہیں۔



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% YOY سے ڈوب 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 پیکیج۔ 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

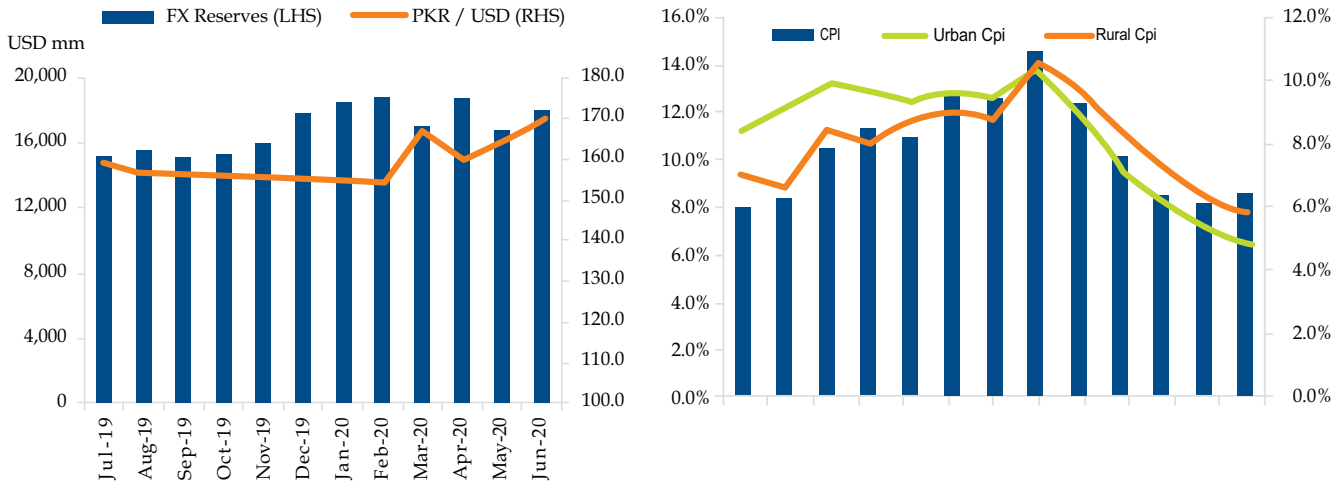
اوپن اینڈ میوچل فنڈ کے زیر انتظام کل اثاثوں میں مالی سال 20 کے دوران bn572 PKR سے bn788 PKR تک 38% کی نمایاں نمو رہی ، خاص طور پر منی مارکیٹ فنڈ اور فیکسڈ انکم فنڈ میں بڑے پیمانے پر آمدنی کی وجہ سے روایتی اور اسلامی سمیت منی مارکیٹ فنڈ میں پی کے آر bn318 سال کے اختتام پر 92% رہی اور اس میں تحاشا اضافہ 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 پر خطر اٹھانے 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 آئی ایم میں اہم کردار ادا کیا۔

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل اسلامک کیش فنڈ (اے بی ایل - آئی 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 اسلامک 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 فیصد اضافہ ہوا تھا۔ ماہ کے دوران اشیائے 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 اوسط 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 فرنس آئل 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 میں 420bn PKR پر رہی۔

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