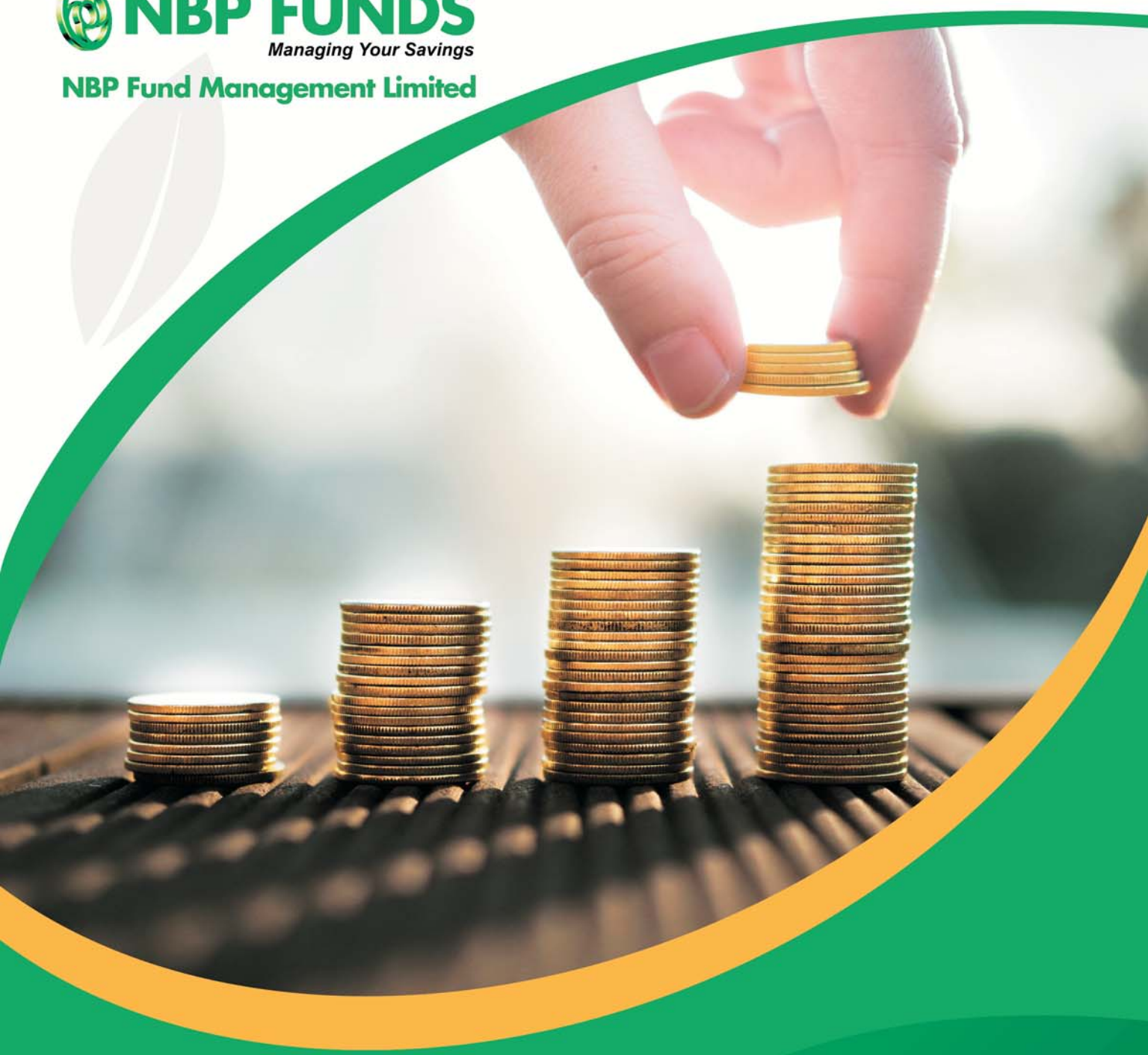




*Managing Your Savings*

**NBP Fund Management Limited**



# **NBP GOVERNMENT SECURITIES LIQUID FUND**

**HALF YEARLY** REPORT  
DECEMBER 31, 2022

**AM1**  
Rated by PACRA



# **MISSION STATEMENT**

"To become country's most  
investor-focused company,  
by assisting investors  
in achieving their financial goals."



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## FUND'S INFORMATION

### Management Company

**NBP Fund Management Limited - Management Company**

### Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Tauqeer Mazhar	Director
Ms. Mehnaz Salar	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Saad Amanullah Khan	Director
Mr. Ruhail Muhammad	Director

### Company Secretary & COO

Mr. Muhammad Murtaza Ali

### Chief Financial Officer

Mr. Khalid Mehmood

### Audit & Risk Committee

Mr. Ruhail Muhammad	Chairman
Mr. Saad Amanullah Khan	Member
Ms. Mehnaz Salar	Member
Mr. Imran Zaffar	Member

### Human Resource Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Saad Amanullah Khan	Member

### Strategy & Business Planning Committee

Mr. Saad Amanullah Khan	Chairman
Mr. Tauqeer Mazhar	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Khalid Mansoor	Member

### Trustee

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block "B" S.M.C.H.S.,  
Main Shahr-e-Faisal, Karachi.

### Bankers to the Fund

MCB Bank Limited	Allied Bank Limited
JS Bank Limited	National Bank of Pakistan
Meezan Bank Limited	Samba Bank Limited
Habib Bank Limited	Zarai Taraqiati Bank Limited
United Bank Limited	Bank Islami Pakistan Limited
Bank Alfalah Limited	Faysal Bank Limited
Bank Al Habib Limited	Soneri Bank Limited
Askari Bank Limited	Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited	



## **Auditors**

A.F. Ferguson & Co. Chartered Accountants  
State Life Building No. 1-C  
I.I. Chundrigar Road,  
P.O.Box 4716  
Karachi.

## **Legal Advisor**

Akhund Forbes  
D-21, Block, Scheme 5,  
Clifton, Karachi 75600, Pakistan.

## **Head Office:**

7th Floor Clifton Diamond Building, Block No. 4,  
Scheme No. 5, Clifton Karachi.  
UAN: 021 (111-111-632),  
(Toll Free): 0800-20002,  
Fax: (021) 35825329  
Website: [www.nbpffunds.com](http://www.nbpffunds.com)

## **Lahore Office:**

7-Noon Avenue, Canal Bank,  
Muslim Town, Lahore.  
UAN: 042-111-111-632  
Fax: 92-42-35861095

## **Islamabad Office:**

1st Floor, Ranjha Arcade  
Main Double Road, Gulberg Greens,  
Islamabad.  
UAN: 051-111-111-632  
Phone: 051-2514987  
Fax: 051-4859031

## **Peshawar Office:**

Opposite Gul Haji Plaza, 2nd Floor  
National Bank Building  
University Road Peshawar,  
UAN: 091-111 111 632  
Fax: 091-5703202

## **Multan Office:**

Khan Center, 1st Floor, Abdali Road, Multan.  
Phone No. : 061-4540301-6, 061-4588661-2 & 4



## DIRECTORS' REPORT

The Board of Directors of **NBP Fund Management Limited** is pleased to present the reviewed financial statements of **NBP Government Securities Liquid Fund (NGSLF)** for the half year ended December 31, 2022.

### Fund's Performance

During 1HFY23, Monetary Policy Committee (MPC) held four meetings and raised the policy rate by 225 basis points to 16%, with a view to anchor the inflationary pressures, achieve price stability - ensuring economic sustainability and easing pressure on currency. However, inflation expectations have been raised in anticipation of tough measures that may follow post re-entry into the IMF Program. According to SBP, rising input costs due to global & domestic supply shocks could de-anchor inflation expectations and undermine (medium-short term) growth.

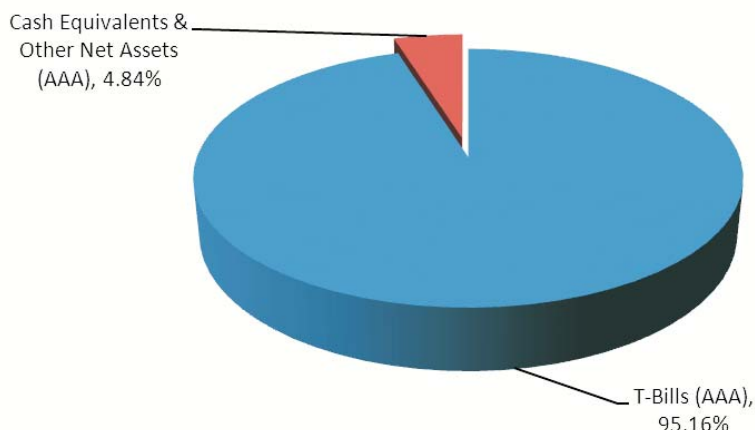
Despite the administrative contraction in the current account deficit, external account management still looks challenging whereas these measures have also created supply-chain bottlenecks. Also, the production cuts by firms due to supply constraints have resulted in decline in LSM growth. The lack of fresh financial inflows and ongoing debt repayments have led to a continuous drawdown in official reserves. The net liquid foreign exchange reserves with SBP were recorded at USD 5.6 billion in December 2022 (depleting by USD 4.2 billion during 1HFY23), posing challenges and risks to the financial stability and fiscal consolidation.

The SBP held thirteen T-Bill auctions, realizing Rs. 19.1 trillion against a target of Rs. 10.8 trillion and maturity of Rs. 10.7 trillion. The T-Bills yields increased by 1.7%, 1.8% and 1.7% for 3-month, 6-month and 12-month tenures, respectively. This uptick in short-term sovereign yields is primarily reflective of increase in policy rates. The market participants constricted in the shorter tenors due to the political noise coupled with global shocks and uncertainty surrounding monetary easing. In the last auction for the half-year ended, cut-off yields on T-Bill for 3-month, 6-month, and 12-month tenures were noted at 16.99%, 16.83% and 16.85%, respectively.

NGSLF's stability rating is 'AAA (f)' awarded by PACRA. The rating reflects exceptionally strong credit and liquidity profile of the Fund. T-Bills are the major asset class of the Fund. Exposure of the Fund to credit, liquidity and interest rate risk is exceptionally low due to 70% minimum investment in Government securities (T-Bills). The Fund invests in AA and above rated Banks/DFIs with maximum maturity of six months.

The size of NBP Government Securities Liquid Fund has increased from Rs. 1,219 million to Rs. 1,274 million during the period, an increase of 5%. The unit price of the Fund has increased from Rs. 9.5268 (Ex-Div) on June 30, 2022 to Rs. 10.2528 on December 31, 2022 thus posting a return of 15.1% p.a. as compared to the benchmark return of 14.9% p.a. for the same period. The performance of the Fund is net of management fee and all other expenses.

The Fund has earned a total income of Rs. 91.48 million during the period. After deducting total expenses of Rs. 6.48 million, the net income is Rs. 85.00 million. The asset allocation of NGSLF as on December 31, 2022 is as follows:





## Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 7.137% of the opening ex-NAV (7.301% of the par value) during the half year ended December 31, 2022.

## Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of  
**NBP Fund Management Limited**

**Chief Executive Officer**

**Director**

Date: February 21, 2023  
Place: Karachi.

## ڈائریکٹرز رپورٹ

NBP فنڈ منیجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 دسمبر 2022ء کو ختم ہونے والی پہلی ششماہی کے لئے NBP گورنمنٹ سیکورٹیز لیکویڈ فنڈ (NGSLF) کے جائزہ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### فنڈ کی کارکردگی

مالی سال 23 کی پہلی ششماہی کے دوران، مانیٹری پالیسی کمیٹی (MPC) کے چار اجلاس منعقد ہوئے اور افراط زر کے دباؤ کو قابو کرنے، قیمتوں کا استحکام حاصل کرنے، اقتصادی استحکام کو یقینی بنانے اور کرنسی پر دباؤ کو کم کرنے کے مقصد سے پالیسی شرح کو 225 بیس پوائنٹس سے بڑھا کر 16 فیصد کر دیا گیا۔ تاہم IMF پروگرام میں دوبارہ داخلہ کے باعث متوقع سخت اقدامات کے باعث افراط زر کی توقعات میں مزید اضافہ ہو گیا۔ SBP کے مطابق، عالمی اولیٰ فرامی کے خطرات کی وجہ سے مہنگائی پیداواری اخراجات کو بڑھا رہی ہے، جو افراط زر کی توقعات کو کم اور (درمیانی مختصر مدت) نموکومزور کر سکتی ہے۔

کرنٹ اکاؤنٹ خسارہ میں انتظامی سکتز آؤ کے باعث بیرونی کھاتوں کا انتظام اب بھی چیلنجنگ نظر آتا ہے جبکہ ان اقدامات نے سپلائی چین میں رکاوٹیں بھی پیدا کی ہیں۔ نیز سپلائی کی ان رکاوٹوں کی وجہ سے فرمز کی طرف سے پیداوار میں کمی کے نتیجے میں LSM کی نمومیں کمی واقع ہوئی ہے۔ فریش مالی رقوم کی کمی اور قرضوں کی جاری ادائیگیاں سرکاری ذخائر میں مسلسل کمی کا باعث بنی۔ دسمبر 2022 میں اسٹیٹ بینک نے خالص غیر ملکی زرمبادلہ کے ذخائر 5.6 بلین امریکی ڈالر ریکارڈ کیے (1HFY23 میں 4.2 بلین امریکی ڈالر کی کمی)، جو مالی اور مالیاتی استحکام کے لیے چیلنج اور خطرات پیدا کر رہے ہیں۔

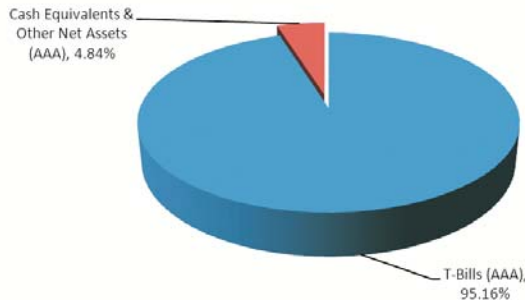
SBP نے ٹی بل کی تیرہ ٹیلا میوں کا انعقاد کیا، جس سے 10.8 ٹریلین روپے ہدف اور 10.7 ٹریلین روپے میچورٹی کے باعث کل 19.1 ٹریلین روپے کی وصولی ہوئی۔ ٹی بلز کی شرح منافع میں 3 ماہ، 6 ماہ اور 12 ماہ کے لئے بالترتیب 1.7 فیصد، 1.8 فیصد اور 1.7 فیصد تک اضافہ ہوا۔ مختصر مدتی سوریجن منافع میں یہ اضافہ بنیادی طور پر پالیسی ریٹس میں اضافہ کی عکاسی ہے۔ مارکیٹ شرکاء عالمی خطرات اور مانیٹری آسانی کی غیر یقینی کے ساتھ ساتھ سیاسی گہما گہمی کی وجہ سے مختصر مدتوں تک محدود رہے۔ ختم ہونے والی ششماہی کی آخری ٹیلا می میں، 3 ماہ، 6 ماہ اور 12 ماہ کے لئے ٹی بل پراکٹ آف شرح منافع بالترتیب 16.99 فیصد، 16.83 فیصد اور 16.85 فیصد درج کیا گیا۔

NGSLF کو PACRA کی طرف سے مستحکم ریٹنگ "AAA(f)" دی گئی ہے۔ یہ ریٹنگ فنڈ کے غیر معمولی مستحکم کریڈٹ اور لیکویڈیٹی پروفائل کی عکاسی کرتی ہے۔ T-Bills اس فنڈ کی بڑی البیسٹ کلاس ہے۔ گورنمنٹ سیکورٹیز (T-Bills) میں کم از کم 70% سرمایہ کاری کے باعث فنڈ کے کریڈٹ، لیکویڈیٹی اور انٹرنسٹ ریٹ کے خطرات کی زد میں آنے کے امکانات نہ ہونے کے برابر ہیں۔ فنڈ کو زیادہ سے زیادہ چھ ماہ کی میچورٹی کے ساتھ AA یا زائد ریٹنگ والے بیٹکوں/DFIs میں انویسٹ کرنے کی اجازت ہے۔

اس مدت کے دوران NBP گورنمنٹ سیکورٹیز لیکویڈ فنڈ (NGSLF) کا سائز 1,129 ملین روپے سے بڑھ کر 1,274 ملین روپے ہو گیا یعنی 5% کا اضافہ ہوا۔ زیر جائزہ مدت کے دوران، فنڈ کے پونٹ کی قیمت 30 جون 2022 کو 9.5268 روپے (Ex-Div) سے بڑھ کر 31 دسمبر 2022 کو 10.2528 روپے ہو گئی، لہذا اسی مدت کے دوران فنڈ نے شیئ مارک 14.9% ریٹرن کے مقابلے میں 15.1% کا منافع درج کیا۔ فنڈ کی یہ کارکردگی منجھست فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

فنڈ نے اس مدت کے دوران 91.48 ملین روپے کی مجموعی آمدنی کمائی۔ 6.48 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 85.00 ملین روپے ہے۔

31 دسمبر 2022 کو NGSLF کی ایسٹ ایلوکیشن درج ذیل ہے:







## آمدنی کی تقسیم

بیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 31 دسمبر 2022 کو ختم ہونے والی ششماہی کے لئے اوپننگ ex-NAV کا 7.137% (بنیادی قدر کا 7.301%) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

## اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے بیجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کے لئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور ٹرسٹی کی طرف سے سخت محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

## منجانب بورڈ آف ڈائریکٹرز

## NBP فنڈ بیجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 21 فروری 2023ء

مقام: کراچی



## TRUSTEE REPORT TO THE UNIT HOLDERS

### Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Government Securities Liquid Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

**Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 27, 2023



## INDEPENDENT AUDITORS' REVIEW REPORT TO THE UNITHOLDERS

### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NBP Government Securities Liquid Fund** (the Fund) as at December 31, 2022 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement for the half year ended December 31, 2022, together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'). The Management Company (NBP Fund Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement for the quarter ended December 31, 2022 and December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other Matter

The condensed interim financial statements of the Fund for the half year ended December 31, 2021 and the financial statements for the year ended June 30, 2022 were reviewed and audited respectively by another firm of Chartered Accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated February 28, 2022 and September 28, 2022 respectively.

A.F. Ferguson & Co.  
Chartered Accountants  
Karachi  
Engagement Partner: Noman Abbas Sheikh  
Dated: February 27, 2023  
UDIN: RR202210061tEXbU9cMf



## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2022

	(Un-audited) December 31, 2022	(Audited) June 30, 2022
Note	----- Rupees in '000 -----	
<b>ASSETS</b>		
Bank balances	4 100,091	1,250,836
Investments	5 1,212,730	-
Mark-up accrued	1,612	3,329
Advances and prepayments	12,576	10,123
Receivable against transfer of units	-	6,300
<b>Total assets</b>	<b>1,327,009</b>	<b>1,270,588</b>
<b>LIABILITIES</b>		
Payable to NBP Fund Management Limited - the Management Company	6 48,350	47,654
Payable to Central Depository Company of Pakistan Limited - the Trustee	7 66	53
Payable to the Securities and Exchange Commission of Pakistan	8 117	208
Payable against purchase of investments	-	35
Payable against redemption of units	838	-
Accrued expenses and other liabilities	9 3,201	3,416
<b>Total liabilities</b>	<b>52,572</b>	<b>51,366</b>
<b>NET ASSETS</b>	<b>1,274,437</b>	<b>1,219,222</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>	<b>1,274,437</b>	<b>1,219,222</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	10	
	----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>	<b>124,301,931</b>	<b>119,211,811</b>
	----- (Rupees) -----	
<b>NET ASSET VALUE PER UNIT</b>	<b>10.2528</b>	<b>10.2274</b>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended		Quarter ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Note ----- (Rupees in '000) -----				
<b>INCOME</b>				
Income from government securities	80,919	32,557	45,975	17,655
Profit on bank deposits	10,413	11,217	3,615	2,737
Net loss on sale of investments	(186)	(488)	(190)	(185)
Net unrealised gain on re-measurement of investment classified as 'financial assets at fair value through profit or loss'	5.2 332	15	296	69
<b>Total income</b>	<b>91,478</b>	<b>43,301</b>	<b>49,696</b>	<b>20,276</b>
<b>EXPENSES</b>				
Remuneration of NBP Fund Management Limited - the Management Company	6.1 1,167	1,111	623	480
Sindh Sales Tax on remuneration of the Management Company	6.2 152	144	81	62
Reimbursement of operational expenses to the Management Company	6.4 728	676	388	300
Reimbursement of selling and marketing expenses	6.5 2,914	2,703	1,553	1,201
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	7.1 321	327	171	132
Sindh Sales Tax on remuneration of the Trustee	7.2 42	43	23	18
Annual fee to the Securities and Exchange Commission of Pakistan	8 117	108	63	48
Auditors' remuneration	617	451	293	171
Securities transaction costs	35	5	24	5
Bank charges	121	1	112	1
Listing fee	14	14	7	7
Mutual fund rating fee	146	234	73	117
Legal and professional charges	91	236	46	196
Printing charges	10	2	9	1
<b>Total operating expenses</b>	<b>6,475</b>	<b>6,055</b>	<b>3,466</b>	<b>2,739</b>
<b>Net income from operating activities</b>	<b>85,003</b>	<b>37,246</b>	<b>46,230</b>	<b>17,537</b>
Reversal of provision against Sindh Workers' Welfare Fund	-	25,954	-	-
<b>Net income for the period before taxation</b>	<b>85,003</b>	<b>63,200</b>	<b>46,230</b>	<b>17,537</b>
Taxation	13 -	-	-	-
<b>Net income for the period</b>	<b>85,003</b>	<b>63,200</b>	<b>46,230</b>	<b>17,537</b>
<b>Earnings per unit</b>				
<b>Allocation of net income for the period</b>				
Net income for the period after taxation	85,003	63,200		
Income already paid on units redeemed	(1,181)	(10,247)		
<b>Accounting income available for distribution</b>	<b>83,822</b>	<b>52,953</b>		
- Relating to capital gains	146	-		
- Excluding capital gains	83,676	52,953		
	<b>83,822</b>	<b>52,953</b>		

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

**For NBP Fund Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Half year ended		Quarter ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	----- (Rupees in '000) -----			
<b>Net income for the period</b>	85,003	63,200	46,230	17,537
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>85,003</u>	<u>63,200</u>	<u>46,230</u>	<u>17,537</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended December 31, 2022			Half year ended December 31, 2021		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	----- (Rupees in '000) -----					
Net assets at the beginning of the period (audited)	1,114,644	104,578	1,219,222	1,335,998	103,186	1,439,184
Issue of 41,836,128 units (2021:35,952,884 units)						
- Capital value (at ex-net asset value per unit)	427,875	-	427,875	367,248	-	367,248
- Element of income	2,143	-	2,143	1,589	-	1,589
Total proceeds on issuance of units	430,018	-	430,018	368,837	-	368,837
Redemption of 36,746,008 units (2021: 78,480,278 units)						
- Capital value (at ex-net asset value per unit)	(375,816)	-	(375,816)	(801,652)	-	(801,652)
- Element of loss	(46)	(1,181)	(1,227)	(140)	(10,247)	(10,387)
Total payments on redemption of units	(375,862)	(1,181)	(377,043)	(801,792)	(10,247)	(812,039)
Total comprehensive income for the period	-	85,003	85,003	-	63,200	63,200
Interim distributions during the period (Note 18)	(2,043)	(80,720)	(82,763)	(1,450)	(51,834)	(53,284)
Net assets at the end of the period (un-audited)	<u>1,166,757</u>	<u>107,680</u>	<u>1,274,437</u>	<u>901,593</u>	<u>104,305</u>	<u>1,005,898</u>
Undistributed income brought forward						
- Realised income		104,578			102,815	
- Unrealised income		-			371	
		<u>104,578</u>			<u>103,186</u>	
Accounting income available for distribution						
- Relating to capital gains		146			-	
- Excluding capital gains		83,676			52,953	
		<u>83,822</u>			<u>52,953</u>	
Distribution during the period		(80,720)			(51,834)	
Undistributed income carried forward		<u>107,680</u>			<u>104,305</u>	
Undistributed income carried forward						
- Realised income		107,348			104,290	
- Unrealised income		332			15	
		<u>107,680</u>			<u>104,305</u>	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			<u>10.2274</u>			<u>10.2147</u>
Net assets value per unit at end of the period			<u>10.2528</u>			<u>10.2261</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

**For NBP Fund Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended	
	December 31, 2022	December 31, 2021
Note	----- Rupees in '000 -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	85,003	63,200
<b>Adjustments:</b>		
Mark up on		
Income from government securities	(80,919)	(32,557)
Profit on bank deposits	(10,413)	(11,217)
Reversal of provision against Sindh Workers' Welfare Fund- net	-	(25,954)
Net unrealised gain on re-measurement of investment classified as 'financial assets at fair value through profit or loss'	(332)	(15)
	<u>(6,661)</u>	<u>(6,543)</u>
<b>(Increase) / decrease in assets</b>		
Investments - net	332	617,181
Advances, deposits and other receivables	(2,453)	221
	<u>(2,121)</u>	<u>617,402</u>
<b>Increase / (decrease) in liabilities</b>		
Payable to NBP Fund Management Limited - the Management Company	696	(1,221)
Payable to Central Depository Company of Pakistan Limited - the Trustee	13	(34)
Payable to the Securities and Exchange Commission of Pakistan	(91)	(293)
Payable against purchase of investment	(35)	(617,035)
Accrued expenses and other liabilities	(215)	(518)
	<u>368</u>	<u>(619,101)</u>
Mark-up received on bank profits and government securities	93,049	47,037
	<u>93,049</u>	<u>47,037</u>
<b>Net cash generated from operating activities</b>	<u>84,635</u>	<u>38,795</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount received on issue of units	434,275	367,387
Payment against redemption of units	(376,205)	(811,551)
Distribution paid	(80,720)	(51,834)
<b>Net cash used in financing activities</b>	<u>(22,650)</u>	<u>(495,998)</u>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<u>61,985</u>	<u>(457,203)</u>
Cash and cash equivalents at beginning of the period	1,250,836	1,501,997
<b>Cash and cash equivalents at end of the period</b>	<u><u>1,312,821</u></u>	<u><u>1,044,794</u></u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited  
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director





## NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NBP Government Securities Liquid Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on 10 April 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

During the year ended June 30, 2021 the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund was required to be registered under the Sindh Trust Act. Accordingly, on October 14, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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 Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended exchange categorized as "money market scheme" and its units are listed on Pakistan Stock Exchange Limited. Units of the fund are offered for public subscription on a continuous basis. The units of the Fund are transferable and can be redeemed by surrendering them to the Fund.

The investment objective of the Fund is to generate optimal return with minimum risk, to provide easy liquidity and reasonable income to its unit holders by investing primarily in short term government securities.

The Pakistan Credit Rating Agency (PACRA) has reaffirmed the asset manager rating of the Management Company of AM1 on June 22, 2022 (June 30, 2022: AM1). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of the systems and processes. Furthermore, PACRA has maintained the stability rating of the Fund to AAA(f) on September 28, 2022 (June 30, 2022: AAA(f) dated on March 29, 2022).

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

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance:

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', 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
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), 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 with the requirements of IAS 34, the provisions of and the 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.

**2.1.1** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements do not include all the information and disclosures required in a full set of the financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2022.

**2.1.2** In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at and for the half year ended December 31, 2022.

### **3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, JUDGMENTS AND CHANGES THEREIN**

**3.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2022.

**3.2** The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied in the audited annual financial statements as at and for the year ended June 30, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements as at and for the year ended June 30, 2022.

#### **3.3 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are effective in the current period**

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

#### **3.4 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are not yet effective**

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2023. However, these will not have any significant effects on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
	Note	------(Rupees in '000)-----	
<b>4 BANK BALANCES</b>			
Balances with banks in:			
Savings accounts	4.1	100,065	1,250,810
Current accounts	4.2	26	26
		100,091	1,250,836



- 4.1** These include balances of Rs.0.806 million (June 30, 2022: Rs.0.893 million) and Rs 0.069 million (June 30, 2022: Rs.0.979 million) maintained with National Bank of Pakistan and Bank Islami Pakistan Limited (related parties) that carry profit at the rate of 15.5% (June 30, 2022: 12.25%) and 15% (June 30, 2022: 15.25%) per annum respectively. Other savings accounts of the Fund carry profit at the rates ranging from 15.48% to 17.199% per annum (June 30, 2022: 6.5% to 18.28% per annum).
- 4.2** These includes bank balances of Rs. 0.026 million (June 30, 2022: Rs. 0.026 million) maintained with National Bank of Pakistan (related party).

<b>5 INVESTMENTS</b>	<b>Note</b>	<b>(Un-audited) December 31, 2022</b>	<b>(Audited) June 30, 2022</b>
		----- Rupees in '000 -----	
<b>Financial assets at 'fair value through profit or loss'</b>			
Government securities - Market Treasury Bills	5.1	<u>1,212,730</u>	<u>-</u>

## 5.1 Government securities - Market Treasury Bills

Issue date	Tenor in months	Face value				Market value as at December 31, 2022	Market value as a percentage of	
		As at July 1, 2022	Purchased during the period	Sold / matured during the period	As at December 31, 2022		net assets of the Fund	total investments of the Fund
----- (Rupees in 000) ----- (%) -----								
January 13, 2022	6	-	90,300	90,300	-	-	-	-
January 27, 2022	6	-	1,040,500	1,040,500	-	-	-	-
March 10, 2022	6	-	1,040,000	1,040,000	-	-	-	-
April 21, 2022	3	-	207,520	207,520	-	-	-	-
June 2, 2022	3	-	1,040,000	1,040,000	-	-	-	-
June 30, 2022	3	-	1,040,000	1,040,000	-	-	-	-
July 14, 2022	3	-	1,115,000	1,115,000	-	-	-	-
July 28, 2022	3	-	1,115,000	1,115,000	-	-	-	-
August 11, 2022	3	-	1,115,000	1,115,000	-	-	-	-
August 25, 2022	3	-	1,175,000	1,175,000	-	-	-	-
September 8, 2022	3	-	155,000	155,000	-	-	-	-
September 22, 2022	3	-	1,075,000	1,075,000	-	-	-	-
October 6, 2022	3	-	1,094,500	1,094,500	-	-	-	-
October 20, 2022	3	-	1,119,400	-	1,119,400	1,114,355	87%	92%
November 17, 2022	3	-	100,000	-	100,000	98,375	8%	8%
<b>Total</b>		<b>-</b>	<b>12,522,220</b>	<b>11,302,820</b>	<b>1,219,400</b>	<b>1,212,730</b>	<b>95%</b>	<b>100%</b>
<b>Carrying value as at December 31, 2022 (un-audited)</b>						<u><u>1,212,398</u></u>		
<b>Market value as at June 30, 2022 (audited)</b>						<u><u>-</u></u>		
<b>Carrying value as at June 30, 2022 (audited)</b>						<u><u>-</u></u>		



		(Un-audited) December 31, 2022	(Audited) June 30, 2022
		----- Rupees in '000 -----	
<b>5.2</b>	<b>Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net</b>		
	Market value of investments	1,212,730	-
	Less: carrying value of investments	(1,212,398)	-
		<u>332</u>	<u>-</u>
<b>6</b>	<b>PAYABLE TO NBP FUND MANAGEMENT LIMITED - THE MANAGEMENT COMPANY</b>		
	Remuneration payable to the Management Company	212	172
	Sindh Sales Tax payable on remuneration of the Management Company	28	22
	Federal excise duty on remuneration of the Management Company	45,777	45,777
	Reimbursement of allocated expenses payable	388	301
	Reimbursement of selling and marketing expenses payable	1,553	1,205
	Sales load including Sindh Sales Tax	350	164
	ADC charges payable including Sindh Sales Tax	42	13
		<u>48,350</u>	<u>47,654</u>

**6.1** As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% per annum on the daily income of the Fund subject to minimum 0.2% of average annual net assets and maximum 1% of average annual assets of the Fund during the half year ended December 31, 2022. The remuneration is payable to the Management Company monthly in arrears.

**6.2** During the period, an amount of Rs. 0.152 million (December 31, 2021: Rs. 0.144 million) was charged on account of sales tax on management fee levied through the Sindh Sales tax on Services Act, 2011 at the rate of 13% (December 31, 2021: 13%).

**6.3** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration and sale load were already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, HCS passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Honourable Supreme Court of Pakistan (HSC) which is pending adjudication.



In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period till June 30, 2016 amounting to Rs 45.777 million (June 30, 2022: Rs 45.777 million) is being retained in these condensed interim financial statements of the Fund as the matter is pending before the HSC. Had the provision for FED not been made, the net asset value per unit of the Fund as at December 31, 2022 would have been higher by Re 0.3683 (June 30, 2022: Re 0.3840) per unit.

- 6.4** In accordance with Regulation 60 of the NBFC Regulations, an asset management company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company based on its discretion has charged accounting and operational charges under the following rates:

Rate applicable from July 1, 2022 to December 31, 2022	Rate applicable from July 1, 2021 to June 30, 2022
0.125% of average annual net assets	0.125% of average annual net assets

- 6.5** In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expenses at 0.5% of average annual net assets (June 30, 2022:0.5%) keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations.

7	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE	Note	(Un-audited)	(Audited)
			December 31, 2022	June 30, 2022
			----- Rupees in '000 -----	
	Trustee fee payable	7.1	58	47
	Sindh Sales Tax payable on Trustee fee	7.2	8	6
			<u>66</u>	<u>53</u>

- 7.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed. During the year, remuneration has been charged as follows:

Rate applicable from July 1, 2022 to December 31, 2022	Rate applicable from July 1, 2021 to September 30, 2021	Rate applicable from October 1, 2021 to December 31, 2021
0.055% of average annual net assets	0.065% of average annual net assets	0.055% of average annual net assets

- 7.2** During the year, an amount of Rs 0.042 million (2021: Rs 0.043 million) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2021: 13%).

**8 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

Annual fee payable	8.1	<u>117</u>	<u>208</u>
--------------------	-----	------------	------------

- 8.1** Under the provisions of the NBFC Regulations, a collective investment scheme is required to pay as annual fee to the SECP, an amount equal to 0.02% (June 30, 2022: 0.02%) of the average annual net assets of the Fund.



	(Un-audited) December 31, 2022	(Audited) June 30, 2022
<b>9 ACCRUED EXPENSES AND OTHER LIABILITIES</b>	------(Rupees in '000)-----	
Auditors' remuneration	601	632
Bank charges	54	19
Withholding tax	1,295	1,461
Capital gain tax	27	44
Legal and Professional charges	108	140
Others	1,116	1,120
	<u>3,201</u>	<u>3,416</u>

## 10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

## 11 NET ASSET VALUE PER UNIT

The net asset value (NAV) per unit, as disclosed in the condensed interim statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the period / year end.

		(Un-audited) December 31, 2022	(Un-audited) December 31, 2021
<b>12 CASH AND CASH EQUIVALENTS:</b>	Note	------(Rupees in '000)-----	
Balances with banks in:			
Savings accounts	4.1	100,065	1,044,768
Current accounts	4.2	26	26
Market Treasury Bills	5.1	1,212,730	-
		<u>1,312,821</u>	<u>1,044,794</u>

## 13 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 intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2023 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these condensed interim 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.

## 14 EARNINGS PER UNIT

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



## 15 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 1.11% (December 31, 2021: 1.12%) which includes 0.05% (December 31, 2021: 0.05%) representing government levy, sales tax and annual fee to the SECP. The prescribed limit for the ratio is 2% (December 31, 2021: 2%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as open market scheme.

## 16 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

**16.1** Related parties / connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and Baltoro Growth Fund being the sponsors, NAFA Pension Fund and NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes management by the Management Company, directors and key management personnel of the Management Company and other associated companies. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

**16.2** Transactions with related parties / 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 related parties / connected persons. The transactions with related parties / connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with the market rates.

**16.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

**16.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

**16.5** Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

**16.6** Details of transactions with related parties / connected persons during the period are as follows:

	----- (Un-audited) ----- Half year ended December 31, December 31, 2022 2021 ----- (Rupees in '000) -----	
<b>NBP Fund Management Limited - the Management Company</b>		
Remuneration of the Management Company	1,167	1,111
Sindh Sales Tax on remuneration of the Management Company	152	144
Reimbursement of selling and marketing expenses	2,914	2,703
Reimbursement of allocated expenses	728	676
Sales load and Sindh Sales Tax on sales load	175	114
ADC charges paid including Sindh sales tax during the period	36	6
<b>National Bank of Pakistan (Parent of the Management Company)</b>		
Bank profits earned in the savings account	-	19
Market Treasury Bills purchased during the period	-	862,008
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Remuneration of the Trustee	321	327
Sindh sales tax on remuneration of the Trustee	42	43
<b>Employees of the Management Company</b>		
Dividend reinvested: 21,428 units (2021:14,165 units)	219	145
Units issued / transferred in: 88,960 units (2021: 5,039 units)	911	52
Units redeemed / transferred out: 70,666 units (2021: 37,175 units)	728	382



	----- (Un-audited) ----- Half year ended	
	December 31, 2022	December 31, 2021
	----- (Rupees in '000) -----	
<b>NBP Employees Pension Fund</b>		
Dividend reinvested 2,070,236 units (2021: 1,342,90 units)	21,182	13,716
Units issued / transferred in 730 units (2021: 36,599)**	-	372
<b>United Energy Pakistan Employees Gratuity Fund *</b> <b>(Unit holder of 10% or more of units of the Fund)</b>		
Dividend reinvested Nil units (2021: 112,392 units)	-	297
Units issued / transferred in Nil units (2021: 10,881,287 units)	-	112,000
Units redeemed / transferred out Nil units (2021: 6,998,313 units)	-	71,656
<b>Fauji Fertilizer Company Limited - Common directorship **</b>		
Dividend reinvested 13 units (2021: 19 units)	-	-
Units redeemed / transferred out 457 units (2021: Nil units)	5	-
<b>Abbot Laboratories Pakistan Limited - Staff Provident Fund</b>		
Units issued / transferred in 31,971 units (2021: Nil units)	327	-
Units redeemed / transferred out 14,509,272 units (2021: Nil units)	148,658	-
	<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>December 31,</b>	<b>June 30,</b>
	<b>2022</b>	<b>2022</b>
	----- (Rupees in '000) -----	
<b>16.7 Amounts outstanding as at period / year end are as follows :</b>		
<b>NBP Fund Management Limited - the Management Company</b>		
Remuneration payable to the Management Company	212	172
Sindh Sales Tax payable on remuneration of the	28	22
Federal excise duty on remuneration of the		
Management Company	45,777	45,777
Reimbursement of allocated expenses payable	388	301
Reimbursement of selling and marketing expenses payable	1,553	1,205
Sales load including Sindh Sales Tax	350	164
ADC charges payable including Sindh Sales Tax	42	13
<b>Central Depository Company of Pakistan Limited - the Trustee</b>		
Remuneration payable to the Trustee	58	47
Sindh Sales Tax payable on remuneration of the Trustee	8	6
<b>National Bank of Pakistan - Parent of the Management Company</b>		
Bank Balance	833	919
Profit accrued on bank balances	7	41
<b>Employees of the Management Company</b>		
Investment held in the Fund: 381,357 units (June 30, 2022: 341,635 units)	3,910	3,494
<b>NBP Employees Pension Fund</b>		
Investment held in the Fund: 30,243,975 units (June 30, 2022: 28,173,009 units)	310,085	288,137
<b>Fauji Fertilizer Company Limited - Common directorship</b>		
Investment held in the Fund: Nil units (June 30, 2022: 444 units)	-	5
<b>Abbot Laboratories Pakistan Limited - Staff Provident Fund</b>		
Investment held in the Fund: 361,933 units (June 30, 2022: 14,839,234 units)	3,711	151,767
<b>Muhammad Murtaza Ali- Company Secretary COO **</b>		
Dividend reinvested 2 units (June 30, 2022 2 units)	-	-





\* Current period figures have not been presented as the person is not a related party / connected person as at December 31, 2022.

\*\* Nil figures due to rounding off

## 17 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

### 17.1 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).

17.2 As at December 31, 2022 and June 30, 2022, the Fund held the following financial instruments measured at fair value.

----- Audited -----			
----- As at June 30, 2022 -----			
Level 1	Level 2	Level 3	Total
----- Rupees in 000-----			
<b>At fair value through profit or loss</b>			
Government securities	-	1,212,730	-
	-	1,212,730	-
	-	-	1,212,730

----- Audited -----			
----- As at June 30, 2022 -----			
Level 1	Level 2	Level 3	Total
----- Rupees in 000-----			
<b>At fair value through profit or loss</b>			
Government securities	-	-	-
	-	-	-
	-	-	-



## 18 INTERIM DISTRIBUTIONS MADE DURING THE YEAR

Rate per unit	Declaration date	Cash distribution		
		Capital value	Distributed income	Total
----- For the period ended December 31, 2022 -----				
----- Rupees in '000 -----				
For the month of July 2022	Re. 0.1030 July 28, 2022	26	10,505	10,531
For the month of August 2022	Re. 0.1341 August 30, 2022	129	13,504	13,633
For the month of September 2022	Re. 0.1199 September 28, 2022	352	12,733	13,085
For the month of October 2022	Re. 0.1192 October 27, 2022	1,087	13,097	14,184
For the month of November 2022	Re. 0.1301 November 29, 2022	391	16,224	16,615
For the month of December 2022	Re. 0.1238 December 27, 2022	58	14,657	14,715
		2,043	80,720	82,763

Rate per unit	Declaration date	Cash distribution		
		Capital value	Distributed income	Total
----- For the period ended December 31, 2022 -----				
----- Rupees in '000 -----				
For the month of July 2021	Re. 0.0489 July 28, 2021	22	6,809	6,831
For the month of August 2021	Re. 0.2519 August 26, 2021	4	23,031	23,035
For the month of September 2021	Re. 0.0611 September 28, 2021	281	5,569	5,850
For the month of October 2021	Re. 0.0514 October 26, 2021	93	4,844	4,937
For the month of November 2021	Re. 0.0541 November 26, 2021	53	4,861	4,914
For the month of December 2021	Re. 0.0782 December 28, 2021	997	6,720	7,717
		1,450	51,834	53,284

## 19 GENERAL

- 19.1** Figures in these condensed interim financial statements have been rounded off to the nearest thousand of Rupees, unless otherwise stated.
- 19.2** Corresponding figures have been re-classified and re-arranged in these condensed interim financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current period. No significant rearrangements or reclassifications have been made in these condensed interim financial statements during the current period.

## 20 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 21, 2023.

**For NBP Fund Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

## Head Office

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