

NBP FUNDS

Managing Your Savings

Aitemaad اعتماد



Islamic Savings

اسلامک سیونگز

NBP Fund Management Limited



NAFA ISLAMIC ACTIVE ALLOCATION FUND – III

ANNUAL REPORT
2023

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 & Remuneration 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 Shakra-e-Faisal, Karachi.

Bankers to the Fund

Allied Bank Limited
Bank Al Habib Limited
Dubai Islami Bank Limited
Habib Bank Limited
JS Bank Limited
Meezan Bank Limited
Soneri Bank Limited
United Bank Limited

Auditors

Yousuf Adil
Chartered Accountants
Cavish Court,
A-35, Block 7 & 8,
KCHSU, Sharae Faisal
Karachi-75350 Pakistan.

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.nbpfunds.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

Board of Directors



Dr. Amjad Waheed, CFA
Chief Executive Officer



Shaikh Muhammad Abdul Wahid Sethi
Chairman



Mr. Khalid Mansoor
Director



Mr. Saad Amanullah Khan
Director



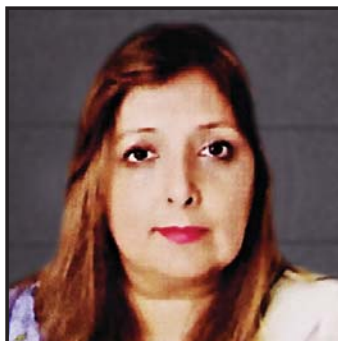
Mr. Tauqeer Mazhar
Director



Mr. Ali Saigol
Director



Mr. Ruhail Muhammad
Director



Ms. Mehnaz Salar
Director



Mr. Imran Zaffar
Director

Senior Management



Dr. Amjad Waheed, CFA
Chief Executive Officer



Mr. Muhammad Murtaza Ali
Chief Operating Officer &
Company Secretary



Mr. Asim Wahab Khan, CFA
Chief Investment Officer



Mr. Ozair Khan
Chief Technology Officer



Mr. Salim S Mehdi
Chief Business
Development Officer



Mr. Muhammad Imran, CFA, ACCA
Head of Portfolio Management



Mr. Khalid Mehmood
Chief Financial Officer



Mr. Salman Ahmed, CFA
Head of Fixed Income



Mr. Shahzad Mithani
Head of Corporate &
HNWIs Sales - South



Mr. Muhammad Umer Khan
Head of Human Resources &
Administration



Syed Sharoz Mazhar, CFA
Head of Business &
Sales Strategy



Mr. Zaheer Iqbal, ACA FPFA
Head of Operations



Mr. Waheed Abidi
Head of Internal Audit



Mr. Hassan Raza, CFA
Head of Research



Mr. Mustafa Farooq
Head of Compliance

DIRECTORS' REPORT

This is the sixth Annual Report for the period ended June 30, 2023, since launch of NAFA Islamic Active Allocation Fund-III (NIAAF-III) on June 22, 2018.

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Income/Money Market Funds.

NAFA Islamic Active Allocation Fund-III has been constituted in the form of a Trust Scheme that shall invest in following Collective Investment Schemes through five (5) Allocation Plans including NBP Islamic Capital Preservation Plan-VI (NICPP-VI).

Islamic Money Market: NBP Islamic Money Market Fund/NBP Daily Dividend Fund

FY23 was a lackluster year for equities as the benchmark KMI-30 Index inched up by only 2.9% during the year. However, during the period, the market remained very volatile and the Index exhibited large swings on both sides.

The stock market performance remained subdued during the outgoing year as investors' confidence remained fragile shaped by worsening political and macro-economic outlook. On economic front, the precarious situation on balance of payment (BOP) troubled investors. Though the current account deficit (CAD), that stood at USD 2.6 billion as against USD 17.5 billion last year, was brought under control due to various administrative measures/restrictions, elevated external debt repayments of around USD 21 billion remained a cause of concern. Due to delay in meeting conditions of IMF, the program remained in abeyance and the external inflows dried up. Hence, SBP's FX reserves slipped from USD 9.8 billion to USD 4.5 billion for the same reason. Amid steep drawdown in FX reserves, PKR witnessed massive devaluation of around 40% during FY23 that also dented sentiments. Unprecedented rains led to massive floods in the country that not only caused massive devastation but further worsened economic outlook as GDP growth was recorded at merely 0.3% during the year. Large Scale Manufacturing was particularly hit as its output dropped by around 10.3% during FY23. Inflation, which was already on an ascent due to commodity upcycle and retail fuel & power prices adjustments, further ratcheted up as acute supply disruptions & shortages put more pressure on prices. Average inflation clocked in at around 29.2% in FY23. This prompted the central bank to aggressively increase Policy Rate to 22% from 13.75% at the start of the period. Although listed corporate sector continued to post robust double-digit growth in profitability, despite imposition of higher taxes and anemic GDP growth, multi-faceted economic challenges and political uncertainty sapped sentiments, and weighed heavily on market performance. A key aspect during last year related to capital market was the sponsor buy back programs which remained a major redeeming factor where cumulative buybacks of around PKR 28 billion were announced reflecting immense sponsor confidence in their own companies.

In terms of sector performance, Cements, Chemicals, Banks, Fertilizer, Oil & Gas Exploration Companies, Power Generation & Distribution, Sugar & Allied Industries, and Technology & Communication sectors outperformed the market. On the contrary, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Engineering, Food & Personal Care, Glass & Ceramics, Insurance, Leather & Tanneries, Miscellaneous, Oil & Gas Marketing, Paper & Board, Pharmaceutical, Refinery, Textile Composite, and Tobacco sectors lagged the market. On participants-wise market activity, Companies, Individual and Banks/DFIs emerged the largest net buyers with inflows of around USD 100 million, USD 84 and USD 74 million, respectively. On the contrary, Mutual Funds & Insurance lowered their net holdings by around USD 144 million & USD 124 million, respectively.

The cumulative trading in corporate sukuks for FY23 was recorded at Rs. 6.1 billion (around 53% up compared to Rs. 4 billion in FY22). However, fresh issuance of shariah compliant short-term corporate sukuks helped the undersupplied market for long-term shariah compliant debt securities. During FY23, the State Bank's Monetary Policy Committee (MPC) conducted nine meetings and raised the policy rate by 825 basis points to 22% to anchor inflationary pressures, achieve price stability, ensure economic sustainability, and ease currency pressure, all while taking into account domestic uncertainty and continued stress on the external account. The monthly inflation reached a multi-decade high level of 38% in May 2023, and the outlook is subject to prevailing domestic uncertainty and external vulnerabilities, undermining medium- and short-term growth. Additionally, debt repayments amid lower fresh disbursements and weak investment inflows continue to exert pressure on FX reserves. The net liquid foreign exchange reserves with the State Bank of Pakistan (SBP) were recorded at USD 4.5 billion in June 2023, depleting by USD 5.3 billion during FY23, posing challenges and risks to financial stability and fiscal consolidation.

NBP Islamic Capital Preservation Plan-VI (NICPP-VI)

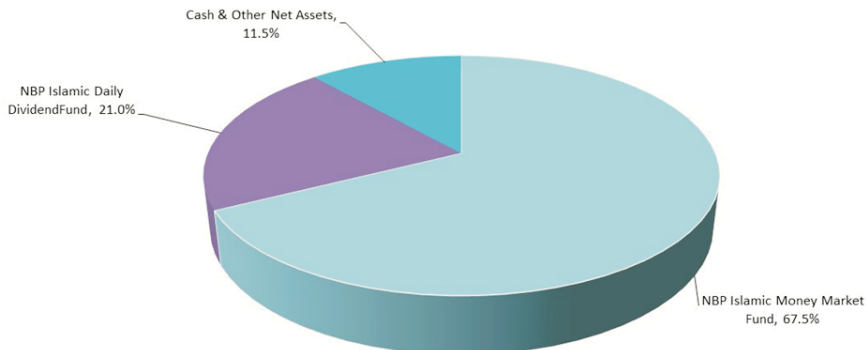
This is the Second Annual Report for the period ended June 30, 2023, since launch NBP Islamic Capital Preservation Plan-VI (NICPP-VI) on June 28, 2022. The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Money Market Fund.

Plan's Performance

During the fiscal year, NAFA Islamic Capital Preservation Plan-VI (NICPP VI) increased by 12.0% as against the benchmark which increased by 6.2%, thus, the Fund outperformed the benchmark by 5.8% during the year. Since launch of the plan, the unit price of NAFA Islamic Capital Preservation Plan-III (NICPP-VI) has increased from Rs. 89.5623 (Ex-Div) on June 28, 2022 to Rs. 100.4623 on June 30, 2023, thus showing an increase of 12.2%. The Benchmark return during the same period was increased by 6.3%. Thus, the Fund has outperformed its Benchmark by 5.9%. This performance is net of management fee and all other expenses. The size of the Fund is Rs. 29 million.

The Plan has earned a total income of Rs. 14.831 million during the year. After deducting total expenses of Rs. 0.956 million, the net income is Rs. 13.875 million.

The asset allocation of the plan as on June 30, 2023 is as follows:



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 11.53% of the Ex-NAV (11.53% of the par value) in NBP Islamic Capital Preservation Plan -VI (NICPP-VI) during the year ended June 30, 2023.

Taxation

As the above cash dividend is more than 90% of the income earned during the year, as reduced by accumulated losses and capital gains, whether realized or unrealized, the Fund is not subject to tax under Clause 99 of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

Auditors

The present auditors, Messrs Yousuf Adil Chartered Accountants has been retired.

Directors' Statement in Compliance with best practices contained in the Listed Companies (Code of Corporate Governance) Regulations, 2017

1. The financial statements, prepared by the management company, present fairly the state of affairs of the Fund, the result of its operations, cash flows and statement of movement in unit holders' funds.
2. Proper books of account of the Fund have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.

4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the Fund's ability to continue as a going concern.
7. There has been no material departure from the best practices of Corporate Governance.
8. A performance table/ key financial data is given in this annual report.
9. Outstanding statutory payments on account of taxes, duties, levies and charges, if any, have been fully disclosed in the financial statements.
10. The Board of Directors of the Management Company held six meetings during the year. The attendance of all directors is disclosed in the note 25 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 23 to these financial statements.
12. All trades in the units of the Fund, carried out by directors, CEO, CFO, Company Secretary and their spouses and minor children are disclosed in note 18 to these financial statements.
13. The Management Company encourages representation of independent non-executive directors on its Board. The Company, being an un-listed company, does not have any minority interest. For the year ended June 30, 2023, the Board included.

Category	Names
Independent Directors	<ol style="list-style-type: none"> 1. Mr. Khalid Mansoor 2. Mr. Saad Amanullah Khan 3. Mr. Ruhail Muhammad 4. Mr. Humayun Bashir
Executive Director	Dr. Amjad Waheed - Chief Executive Officer
Non-Executive Directors	<ol style="list-style-type: none"> 1. Shaikh Muhammad Abdul Wahid Sethi (Chairman) 2. Mr. Tauqeer Mazhar 3. Ms. Mehnaz Salar 4. Mr. Ali Saigol 5. Mr. Imran Zaffar

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: September 15, 2023
Place: Karachi.

ڈائریکٹرز رپورٹ

22 جون 2018 کو قائم ہونے والے NAFA اسلامک ایکٹیو ایلوکیٹیشن فنڈ-III (NIAAF-III) کی 30 جون 2023 مختتمہ سال کے لئے یہ چھویں سالانہ رپورٹ ہے۔

فنڈ کا مقصد شریعہ مکملیت ایکٹیو فنڈ اور انکم / منی مارکیٹ فنڈز کی فعال طور منظم پورٹ فولیو سے ایویٹرز کو متاثر کن منافع کمانے کا موقع فراہم کرنا ہے۔

NAFA اسلامک ایکٹیو ایلوکیٹیشن فنڈ-III (NIAAF-III) ایک ٹرسٹ اسکیم کی شکل میں تیار کیا گیا ہے جو کہ NBP اسلامک کیپٹل پریزرویشن پلان VI (NICPP-IV) سمیت پانچ (5) ایلوکیٹیشن پلانز کے ذریعے درج ذیل مجموعی سرمایہ کاری اسکیموں میں سرمایہ کاری کریں گے۔

اسلامک منی مارکیٹ: NBP اسلامک منی مارکیٹ فنڈ / NBP ڈیلی ڈیویڈنڈ فنڈ

مالی سال 23 ایکویٹیز کے لیے مایوس کن تھا کیونکہ بیچ مارک I30-KMI انڈیکس میں سال کے دوران صرف 2.9 فیصد اضافہ ہوا۔ تاہم سال کے دوران مارکیٹ کافی اتار چڑھاؤ کا شکار رہی اور انڈیکس نے بھی دونوں اطراف جھکاؤ دکھایا۔

رواں سال کے دوران سٹاک مارکیٹ کی کارکردگی کم رہی کیونکہ خراب سیاسی اور بینکاروں کا اعتماد کمزور رہا۔ معاشی محاذ پر، ادائیگی کے توازن (BOP) کی نازک صورتحال نے سرمایہ کاروں کو پریشان کیا۔ اگرچہ کرنٹ اکاؤنٹ خسارہ (CAD) جو کہ گزشتہ سال 17.5 بلین امریکی ڈالر کے مقابلے میں 2.6 بلین امریکی ڈالر رہا، مختلف انتظامی اقدامات / پابندیوں کی وجہ سے کنٹرول میں لایا گیا، تاہم تقریباً 21 بلین ڈالر کے بیرونی قرضوں کی ادائیگی تشویش کا باعث بنی ہوئی ہے۔ آئی ایم ایف کی شرائط پوری کرنے میں تاخیر کی وجہ سے پروگرام تعطیل کا شکار ہوا اور بیرونی قروم کا بہاؤ کم ہو گیا۔ لہذا، اسی وجہ سے SBP کے زرمبادلہ ذخائر 9.8 بلین امریکی ڈالر سے کم ہو کر 4.5 بلین امریکی ڈالر پر آ گئے۔ زرمبادلہ ذخائر میں زبردستی کی کے درمیان، پاکستانی روپیہ نے مالی سال 23 کے دوران بڑے پیمانے پر قدر میں تقریباً 40% کی کمی دیکھی جس سے مارکیٹ کے حالات بھی مجروح ہوئے۔ غیر معمولی بارشوں نے ملک میں بڑے پیمانے پر سیلاب کی وجہ سے نہ صرف تباہی پھائی بلکہ معاشی نقطہ نظر کو مزید خراب کر دیا کیونکہ سال کے دوران جی ڈی پی کی شرح مجموعی طور پر 0.3 فیصد ریکارڈ کی گئی۔ خاص طور پر بڑے پیمانے کی مینوفیکچرنگ متاثر ہوئی کیونکہ مالی سال 23 کے دوران اس کی پیداوار میں تقریباً 10.3 فیصد کمی واقع ہوئی۔ مہنگائی، جو کہ کووڈ 19 اپ سائیکل اور خوردہ ایندھن اور بجلی کی قیمتوں میں ایڈجسٹمنٹ کی وجہ سے پہلے ہی عروج پر تھی، مزید بڑھ گئی کیونکہ سپلائی میں شدید رکاوٹ اور قلت قیمتوں پر مزید باؤ ڈالا۔ مالی سال 23 میں اوسط مہنگائی تقریباً 29.2 فیصد تک پہنچ گئی۔ اس نے مرکزی بینک کو جارحانہ انداز میں پالیسی شرح کو 13.75 فیصد سے بڑھا کر 22 فیصد کرنے پر آمادہ کیا۔ اگرچہ لچر زیادہ ٹیکسوں کے نفاذ جی ڈی پی میں کمی کے باوجود کارپوریٹ سیکٹرز نے منافع میں دوہرے ہندسے کی مضبوط نمو جاری رکھی، کثیر جیتی اقتصادی چیلنجوں اور سیاسی غیر یقینی صورتحال نے جذبات کو مجروح کر دیا اور مارکیٹ کی کارکردگی پر بہت زیادہ باؤ ڈالا۔ کیپٹل مارکیٹ سے متعلق پچھلے سال کے دوران ایک اہم پہلو اسپانسر بے بیک پروگرام تھا جو کہ ایک اہم ریڈیٹنگ عنصر رہا جہاں تقریباً 28 بلین روپے کی مجموعی بائی بیکس کا اعلان کیا گیا جو ان کی اپنی کمپنیوں میں اسپانسر کے بے پناہ اعتماد کی عکاسی کرتا ہے۔

سیکٹرز اور کارکردگی کے لحاظ سے سہنٹ، کیپیکل، بینک، فریٹلائزر، آئل اینڈ گیس ایکسپلوریشن کمپنیاں، پاور جنریشن اینڈ ڈسٹری بیوٹن، شوگر اینڈ الائیڈ انڈسٹریز، اور ٹیکسٹائل اور کیوٹیلیٹیشن سیکٹرز نے مارکیٹ سے بہتر کارکردگی کا مظاہرہ کیا۔ اس کے برعکس، آٹو اسمبلرز، آٹو پارٹس اور ایئر سیریز، کیبل اور الیکٹریکل سامان، انجینئرنگ، فوڈ اینڈ پراسسنگ، گلاس اینڈ سٹریٹس، انشورنس، لیڈر اینڈ ٹیکسٹائل، متفرقات، آئل اینڈ گیس مارکیٹنگ، پیپر اینڈ بورڈ، فارماسیوٹیکل، ریٹائریٹس، ٹیکسٹائل کمپوزٹ، اور تمباکو کے شعبوں نے مارکیٹ سے اہتر کارکردگی کا مظاہرہ کیا۔ شرکاء کے لحاظ سے مارکیٹ کی سرگرمیوں پر، کمپنیاں، انفرادی اور بینک / DFIs بالترتیب 100 بلین امریکی ڈالر، 84 بلین امریکی ڈالر اور 74 بلین امریکی ڈالر کی آمد کے ساتھ سب سے بڑے خالص خریدار رہے۔ اس کے برعکس، میوچل فنڈز اور انشورنس نے اپنی خالص ہولڈنگز کو بالترتیب 144 بلین امریکی ڈالر اور 124 بلین امریکی ڈالر تک کم کر دیا۔

مالی سال 23 کے لیے کارپوریٹ سکوک میں مجموعی تجارت 6.1 بلین روپے (مالی سال 22 میں 4 بلین روپے کے مقابلے میں تقریباً 53 فیصد زیادہ) ریکارڈ کی گئی۔ تاہم، شریعت کے مطابق قلیل مدتی کارپوریٹ سکوک کے نئے اجراء سے طویل مدتی شریعتی مطابقت پذیر ڈیٹ سیکورٹیز کے لیے زبردستی پائی مارکیٹ کو کچھ حد تک مدد ملی۔ مالی سال 23 کے دوران، اسٹیٹ بینک کی مائیٹری پالیسی کمیٹی (MPC) نے 19 اجلاس منعقد ہوئے اور ملکی غیر یقینی صورتحال اور بیرونی اکاؤنٹ پر مسلسل دباؤ کی وجہ سے افراط زر کے دباؤ کو کنٹرول کرنے، قیمتوں میں استحکام حاصل کرنے، اقتصادی استحکام کو یقینی بنانے، اور کرنسی کے دباؤ کو کم کرنے کے لیے پالیسی شرح کو 825 بیس پوائنٹس بڑھا کر 22% کر دیا۔ ماہانہ افراط زر مئی 2023 میں کئی دہائیوں کی بلند ترین سطح 38 فیصد تک پہنچ گیا، اور نقطہ نظر مروجہ ملکی غیر یقینی صورتحال اور بیرونی خطرات سے مشروط ہے، جو درمیان میں اور قلیل مدتی نمو کو کمزور کر رہا ہے۔ مزید برآں، کم نئے افلوغ اور کمزور سرمایہ کاری کے درمیان قرض کی ادائیگی زرمبادلہ ذخائر پر دباؤ ڈال رہی ہے۔ اسٹیٹ بینک آف پاکستان (SBP) کے ہاں خالص لیکو ڈ غیر ملکی زرمبادلہ کے ذخائر جون 2023 میں 4.5 بلین امریکی ڈالر ریکارڈ کیے گئے، جو مالی سال 23 کے دوران 5.3 بلین امریکی ڈالر کی کمی سے مالی استحکام اور مالیاتی کنسولیدیشن کے لیے چیلنجز اور خطرات کا باعث بنے ہیں۔

NBP اسلامک کیپٹل پریزرویشن پلان-VI (NICPP-VI)

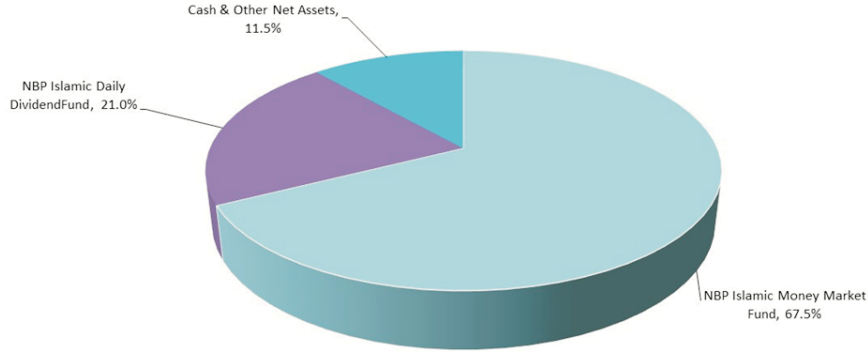
28 جون 2022 کو قائم ہونے والے NBP اسلامک کیپٹل پریزرویشن پلان-VI (NICPP-VI) کی 30 جون 2023 ختمہ سال کے لئے دوسری سالانہ رپورٹ ہے۔ فنڈ کا مقصد مشریہ کمپلیٹ ایکویٹی فنڈ اور منی مارکیٹ فنڈز کی فعال طور منظم پورٹ فولیو سے انویسٹرز کو متناسک منافع کمانے کا موقع فراہم کرنا ہے۔

پلان کی کارکردگی

مالی سال کے دوران NAFA اسلامک کیپٹل پریزرویشن پلان-VI (NICPP-VI) کے بیچ مارک جو 6.2% زیادہ ہوا کے مقابلے میں 12.0% زیادہ ہوا، لہذا، فنڈ نے سال کے دوران 5.8% بیچ مارک کی بہتر کارکردگی دکھائی۔ 22 جون 2018 کو اپنے قیام سے NAFA اسلامک کیپٹل پریزرویشن پلان-VI (NICPP-VI) کے پونٹ کی قیمت (Ex-Div) 89.5623 روپے سے بڑھ کر 30 جون 2023 کو 100.4623 روپے ہو گئی، لہذا 12.2% کا اضافہ ظاہر کیا۔ اسی مدت کے دوران بیچ مارک منفعیت میں 6.3% کا اضافہ ہوا تھا۔ لہذا فنڈ کی کارکردگی اپنے بیچ مارک سے 5.9% بہتر رہی۔ فنڈ کی یہ کارکردگی ہینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کا ساٹھ 29 ملین روپے ہے۔

پلان کو اس مدت کے دوران 14.831 ملین روپے کی آمدنی ہوئی۔ 0.956 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 13.875 ملین روپے ہے۔

30 جون 2023 کو فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



آمدنی کی تقسیم

ہینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 30 جون 2023 کو ختم ہونے والے سال کے دوران اوپننگ ex-NAV کا 11.53 فیصد (بنیادی قیمت کا 11.53 فیصد) عبوری نقد منافع منقسمہ کی منظوری دی ہے۔

ہیکسیشن

چونکہ مذکورہ بالا نقد منافع منقسمہ سال کے دوران حاصل ہونے والی آمدنی میں سے سرمایہ کاری پر حاصل ہونے والے محصول شدہ اور غیر محصول شدہ کیپٹل گین اور جمع شدہ نقصانات منہا کرنے کے بعد 90 فیصد سے زائد ہے، اس لئے فنڈ پر آئٹم ٹیکس آرڈیننس 2001 کے دوسرے شیڈول کے حصہ اول کی شق 99 کے تحت ٹیکس لاگو نہیں ہوتا ہے۔

آڈیٹرز

موجودہ آڈیٹر، مینسز یوسف عادل، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے۔

لسٹڈ کمپنیوں کے کوڈ آف کارپوریٹ گورننس ریگولیشنز 2017 ("CCG") کی پیروی میں ڈائریکٹرز اسٹیٹمنٹ

1. ہینجمنٹ کمپنی کی طرف سے تیار کردہ، مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلوا اور یونٹ ہولڈرز فنڈز میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔
2. فنڈ کے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔
3. مالی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل پیروی کی گئی ہے۔ شماریاتی تخمینے مناسب اور معقول نظریات پر مبنی ہیں۔
4. ان مالیاتی گوشواروں کی تیاری میں مالیاتی رپورٹنگ کے بین الاقوامی معیاروں، جہاں تک وہ پاکستان میں قابل اطلاق ہیں، کی پیروی کی گئی ہے۔
5. انٹرنل کنٹرول کا نظام مستحکم اور موثر طریقے سے نافذ ہے اور اس کی مسلسل نگرانی کی جاتی ہے۔
6. فنڈ کی رواں دواں رہنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔

- 7- کارپوریٹ گورننس کی اعلیٰ ترین روایات سے کوئی پہلو تہی نہیں کی گئی۔
- 8- پرفارمنس ٹیبل / اہم مالیاتی ڈیٹا اس سالانہ رپورٹ میں شامل ہیں۔
- 9- ٹیکسوں، ڈیویڈنڈ، محصولات اور چارجز کی مد میں واجب الادا سرکاری ادائیگیاں مالیاتی گوشواروں میں پوری طرح ظاہر کر دی گئی ہیں۔
- 10- اس مدت کے دوران مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کے چھ اجلاس منعقد ہوئے۔ تمام ڈائریکٹرز کی حاضری ان مالیاتی گوشواروں کے نوٹ 25 میں ظاہر کی گئی ہے۔
- 11- یونٹ ہولڈنگ کا تفصیلی پٹرن مالیاتی گوشواروں کے نوٹ 23 میں ظاہر کیا گیا ہے۔
- 12- ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکرٹری اور ان کی شریک حیات اور کم عمر بچوں کی طرف سے کی جانے والی فنڈ کے یونٹس کی تمام خرید و فروخت ان مالیاتی گوشواروں کے نوٹ 18 میں ظاہر کی گئی ہے۔
- 13- کمپنی اپنے بورڈ آف ڈائریکٹرز میں غیر جانبدار نان ایگزیکٹو ڈائریکٹرز کی نمائندگی کی حوصلہ افزائی کرتی ہے۔ کمپنی ایک غیر فہرست شدہ کمپنی ہونے کے ناطہ کوئی منارٹی انٹریسٹ نہیں رکھتی۔ زیر جائزہ مدت 30 جون 2023 کے دوران بورڈ آف ڈائریکٹرز درج ذیل ارکان پر مشتمل رہا۔

کلیگری	نام
غیر جانبدار ڈائریکٹرز	01 جناب خالد منصور
	02 جناب سعد مان اللہ خان
	03 جناب روہیل محمد
	04 جناب ہمایوں بشیر
ایگزیکٹو ڈائریکٹر	ڈاکٹر امجد وحید (چیف ایگزیکٹو آفیسر)
نان ایگزیکٹو ڈائریکٹرز	01 شیخ محمد عبدالواحد سیٹھی (چیئر مین)
	02 جناب توقیر مظہر
	03 محترمہ مہناز سالار
	04 جناب علی سیگل
	05 جناب عمران ظفر

اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ 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 فونڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ: 15 ستمبر 2023ء

مقام: کراچی

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 8 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 NAFA Islamic Active Allocation Fund-III (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 year ended June 30, 2023 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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.

We would like to draw attention towards the fact that the Fund has been revoked with effect from September 08, 2023 as in the opinion of Management Company the Fund was no longer commercially viable.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 27, 2023

FUND MANAGER REPORT

NAFA Islamic Asset Allocation Fund -III (NIAAF-III) is an Open-ended Shariah Compliant Fund of Funds.

Investment Objective of the Fund

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Money Market Funds.

NAFA Islamic Active Allocation Fund-III has been constituted in the form of a Trust Scheme that shall invest in following Collective Investment Schemes through five (5) Allocation Plans NBP Islamic Capital Preservation Plan-V (NICPP VI).

Islamic Money Market: NBP Islamic Money Market Fund / NBP Islamic Daily Dividend Fund

Fund performance review

Plans	Launch Date	Fund Size (Million)	Cumulative Performance Since Inception	
			Plans Return	Benchmark* Return
NICPP-VI	28-06-2022	29	12.2%	6.3%

FY23 was a lackluster year for equities as the benchmark KMI-30 Index inched up by only 2.9% during the year. However, during the period, the market remained very volatile and the Index exhibited large swings on both sides.

The stock market performance remained subdued during the outgoing year as investors' confidence remained fragile shaped by worsening political and macro-economic outlook. On the political front, uncertainty & agitation remained elevated during the year and weighed on investors' sentiments. The dissolution of two provincial assemblies and uncertainty over continuity of federal government and contention between government and apex court caused jitters in the market. On economic front, the precarious situation on balance of payment (BOP) troubled investors. Though the current account deficit (CAD), that stood at USD 2.6 bn as against USD 17.5 bn last year, was brought under control due to various administrative measures/restrictions, elevated external debt repayments of around USD 21 bn remained a cause of concern. Due to delay in meeting conditions of IMF, the program remained in abeyance and the external inflows dried up. Hence, SBP's FX reserves slipped from USD 9.8 billion to USD 4.5 billion for the same reason. Amid steep drawdown in FX reserves, PKR witnessed massive devaluation of around 40% during FY23 that also dented sentiments. Unprecedented rains led to massive floods in the country that not only caused massive devastation but further worsened economic outlook as GDP growth was merely recorded at 0.3% during the year. Large Scale Manufacturing was particularly hit as its output dropped by around 10.3% during FY23. Inflation, which was already on an ascent due to commodity upcycle and retail fuel & power prices adjustments, further ratcheted up as acute supply disruptions & shortages put more pressure on prices. Average inflation clocked in at around 29.2% in FY23. This prompted the central bank to aggressively increase Policy Rate to 22% from 13.75% at the start of the period. Although listed corporate sector continued to post robust double-digit growth in profitability, despite imposition of higher taxes and anemic GDP growth, multi-faceted economic challenges and political uncertainty sapped sentiments and weighed on market performance. A key aspect during last year related to capital market was the sponsor buy back programs which remained a major redeeming factor where cumulative buybacks of around PKR 28 billion were announced reflecting immense sponsor confidence in their own companies.

In terms of sector performance, Cements, Chemicals, Banks, Fertilizer, Oil & Gas Exploration Companies, Power Generation & Distribution, Sugar & Allied Industries, and Technology & Communication sectors outperformed the market. On the contrary, Auto Assemblers, Auto Parts & Accessories, Cable & Electrical Goods, Engineering, Food & Personal Care, Glass & Ceramics, Insurance, Leather & Tanneries, Miscellaneous, Oil & Gas Marketing, Paper & Board, Pharmaceutical, Refinery, Textile Composite, and Tobacco sectors lagged the market. On participants-wise market activity, Companies, Individual and Banks/DFIs emerged the largest net buyers with inflows of around USD 100 million, USD 84 and USD 74 million, respectively. On the contrary, Mutual Funds & Insurance lowered their net holdings by around USD 144 million & USD 124 million, respectively.

The cumulative trading in corporate sukuks for FY23 was recorded at Rs. 6.1 billion (around 53% up compared to Rs. 4 billion in FY22). However, fresh issuance of shariah compliant short-term corporate sukuks helped the undersupplied market for long-term shariah compliant debt securities. During FY23, the State Bank's Monetary Policy Committee (MPC) conducted nine meetings and raised the policy rate by 825 basis points to 22% to anchor inflationary pressures, achieve price stability, ensure economic sustainability, and ease currency pressure, all while taking into account domestic uncertainty and continued stress on the external account. The monthly inflation reached a multi-decade high level of 38% in May 2023, and the outlook is subject to prevailing domestic uncertainty and external vulnerabilities, undermining medium- and short-term growth. Additionally, debt repayments amid lower fresh disbursements and weak investment inflows continue to exert pressure on FX reserves. The net liquid foreign exchange reserves with the State Bank of Pakistan (SBP) were recorded at USD 4.5 billion in June 2023, depleting by USD 5.3 billion during FY23, posing challenges and risks to financial stability and fiscal consolidation

Asset Allocation of the Fund (% of NAV)

Plans	Asset Allocation of Plans	
	Islamic Daily Dividend Fund / Islamic Money Market Fund	Cash & Other Net Assets/Liabilities
NICPP-VI	88.5%	11.5%

During the period under question:

During the period there has been no significant change in the state of affairs of the Fund, other than stated above. During the year there were no circumstances that materially affected any interests of the unit holders. The Fund does not have any soft commission arrangement with any broker in the industry.

NBP Islamic Capital Preservation Plan-VI (NICPP-VI)

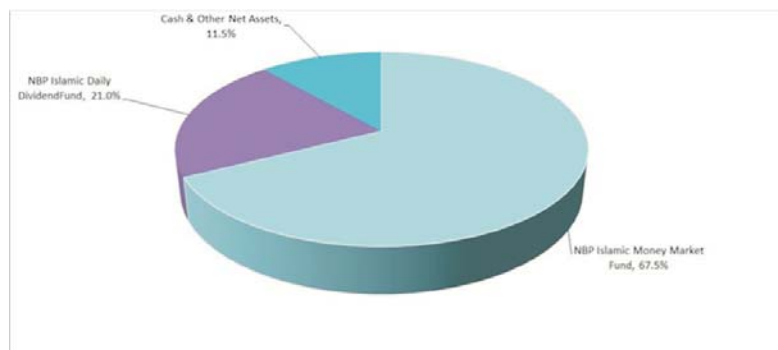
NBP Funds launched its NBP Islamic Capital Preservation Plan-VI (NICPP VI) in June 2022 which is the 14th plan under NAFA Islamic Active Allocation Fund-III. The Active Allocation Plan will be dynamically managed between dedicated equity & Money Market schemes managed by NBP Funds based on the Fund Manager's outlook of the authorized asset-classes. The Plan is presently closed for new subscription. NICPP-VI has an initial maturity of two years.

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shariah Compliant Equity Fund and Money Market Fund.

Plan's Performance

During the fiscal year, NBP Islamic Capital Preservation Plan-VI (NICPP VI) increased by 12.0% as against the benchmark which increased by 6.2%, thus, the Fund outperformed the benchmark by 5.8% during the year. Since launch of the plan, the unit price of NAFA Islamic Capital Preservation Plan-III (NICPP-VI) has increased from Rs. 89.5623 (Ex-Div) on June 28, 2022 to Rs. 100.4623 on June 30, 2023, thus showing an increase of 12.2%. The Benchmark return during the same period was increased by 6.3%. Thus, the Fund has outperformed its Benchmark by 5.9%. This performance is net of management fee and all other expenses. The size of the Fund is Rs. 29 million.

The asset allocation of the Fund as on June 30, 2023 is as follows:



Distribution for the Financial Year 2023

Interim Period	Dividend as % of Par Value (Rs.100)	Cumulative Div. Price/Unit	Ex- Div. Price
Jun-23	11.53%	111.5338	100.0020

Unit Holding Pattern of NBP Islamic Capital Preservation Plan -VI as on June 30, 2023

Size of Unit Holding (Units)	# of Unit Holders
1 - 1000	6
1001 - 5000	21
5001 - 10000	10
10001 - 50000	9
Total	46

STATEMENT OF COMPLIANCE WITH THE SHARI'AH PRINCIPLES

NAFA Islamic Active Allocation Fund - III (the Fund) has fully complied with the Shari'ah principles specified in the Trust Deed and in the guidelines issued by the Shari'ah Advisor for its operations, investments and placements made during the year ended June 30, 2023. This has been duly confirmed by the Shari'ah Supervisory Board of the Fund.

For and behalf of the board

Date: **September 15, 2023**
Karachi

Dr. Amjad Waheed, CFA
Chief Executive Officer

REPORT OF THE SHARI'AH SUPERVISORY BOARD

September 27, 2023/ Rabiul Awwal 10, 1445

Alhamdulillah, the period from July 01, 2022 to June 30, 2023 marks the Sixth year of the operations of NAFA Islamic Active Allocation Fund -III (the "NIAAF-III" or the "Fund") under management of NBP Funds Management Limited (the "NBP Funds" or the "Management Company"). Under this fund, NBP Funds launched its NBP Islamic Capital Preservation Plan-VI on June 28, 2022.

In the capacity of Shariah Supervisory Board (the "SSB"), we have prescribed specific criteria and procedures to ensure that every investment aligns with Shariah principles and rules.

It is the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure Shariah compliance with the Shariah principles, policies and guidelines issued by the SSB and Shariah Governance Regulations issued by Securities and Exchange Commission of Pakistan. The prime responsibility for ensuring Shariah compliance of the Fund operations lies with the Board of Directors and Executive Management.

Based on our day to day reviews during the year and subsequent approvals for investments and related activities of the Fund, we hereby confirm that:

- i. The modes of investments, transactions, relevant documentation and procedures adopted have been in accordance with Shariah principles and rules
- ii. The affairs of the Fund have been carried out in accordance with Shariah principles and rules and relevant Shariah opinions and/or guidelines were issued accordingly from time to time

Based on the above facts, SSB is of the opinion that during the year, nothing has come to our attention that causes us to believe that overall operations of the Fund for the year ended June 30, 2023 are not in compliance with the Shariah principles and rules.

May Allah bless us with the best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Technical Services & Support

For and on behalf of NBP Fund's Shariah Supervisory Board

Mufti Muhammad Naveed Alam
Member
Shariah Supervisory Board

Mufti Ehsan Waqar
Shariah Advisor & Member
Shariah Supervisory Board

Dr. Imran Ashraf Usmani
Chairman
Shariah Supervisory Board

INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of NAFA Islamic Active Allocation Fund - III

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NAFA Islamic Active Allocation Fund - III (the Fund), which comprise the statement of assets and liabilities as at June 30, 2023, and the related income statement, the statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2023, and of its financial performance, cash flows for the year then ended in accordance with 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 and Management Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted by the Institute of Chartered Accountants of Pakistan together with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 2.1 of the financial statements, which states that the management company does not have the intention to rebuild the required minimum Fund size. Therefore, the financial statements have been prepared on basis other than going concern. However, no adjustments are required in the financial statements as the assets and liabilities of the Fund are stated at values at which they are expected to be realized or settled.

Our opinion is not modified in respect of the matter stated above.

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 year.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

Key Audit Matter	How the matter was addressed in our audit
<p>1 Valuation and existence of investment</p> <p>Investments held at fair value through profit or loss are disclosed in note 5 to the financial statements and represent a significant portion of the net assets of the Fund.</p> <p>The Fund invests principally in shariah compliant mutual funds which is the main driver of the Fund's performance.</p> <p>Considering the above factors, the valuation and existence of investments are significant areas during our audit. Consequently, we have considered this as a key audit matter.</p>	<ul style="list-style-type: none"> • obtained understanding of relevant controls placed by the Management Company applicable to the balances; • independently verified existence of investments held by the Fund with the securities appearing in the Account statement; • Tested valuation of investments by independently tracing rate to the prices quoted on Mutual Funds Association of Pakistan (MUFAP) website; • performed purchases and sales testing on a sample of trades made during the year regarding movement of the securities;

Information Other than the Financial Statements and Auditor's Report Thereon

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 audit report.

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 not received this information and therefore cannot report in this regard.

Responsibilities of Management Company and Those Charged with Governance for the Financial Statements

Management Company 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 the Management Company 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 Company 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 Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance of the Management Company are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Other matter

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

The engagement partner on the audit resulting in this independent auditor's report is **Nadeem Yousuf Adil**.

Yousuf Adil
Chartered Accountants

Place: Karachi
Date: September 21, 2023
UDIN: AR202310091LQX9Azlwo

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2023

	2023	2022					
		NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	Total
Note ----- (Rupees in 000) -----							
ASSETS							
Balances with banks	4	4,357	4,214	2,705	4,277	164,668	175,864
Investments	5	25,392	39,289	22,623	24,384	25,000	111,296
Profit receivable		73	43	37	27	248	355
Other receivables	6	81	220	-	450	153	823
Total assets		29,903	43,766	25,365	29,138	190,069	288,338
LIABILITIES							
Payable to NBP Fund Management Limited - the Management Company	7	255	44	34	40	7,765	7,883
Payable to Central Depository Company of Pakistan Limited - the Trustee	8	2	2	2	1	1	6
Payable to the Securities and Exchange Commission of Pakistan	9	23	12	8	8	-	28
Payable against redemption of units		-	-	-	-	1,119	1,119
Dividend payable		-	-	67	-	-	67
Accrued expenses and other liabilities	10	934	487	593	613	44	1,737
Total liabilities		1,214	545	704	662	8,929	10,840
NET ASSETS		28,689	43,221	24,661	28,476	181,140	277,498
UNIT HOLDERS' FUND		28,689	43,221	24,661	28,476	181,140	277,498
(as per statement attached)							
CONTINGENCIES AND COMMITMENTS							
	11	----- No. of units -----					
NUMBER OF UNITS IN ISSUE	12	285,569	429,416	248,566	288,806	1,811,367	
		-----Rupees-----					
NET ASSET VALUE PER UNIT	14	100.4623	100.6506	99.2145	98.5976	100.0020	

The annexed notes 1 to 27 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2023

	For the year ended June 30, 2023	For the year ended June 30, 2022				For the period from June 28, 2022 to June 30, 2022	Total
		NICPP-VI	NICPP-III	NICPP-IV	NICPP-V		
INCOME							
Gain on sale of investments - net	944	531	523	803	-	1,857	
Dividend income	10,071	1,723	1,396	1,663	-	4,782	
Profit on balances with banks	3,458	471	336	229	247	1,283	
	14,473	2,725	2,255	2,695	247	7,922	
Net unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	5.2	358	(1,582)	(757)	(736)	-	(3,075)
Total income	14,831	1,143	1,498	1,959	247	4,847	
EXPENSES							
Remuneration of NBP Fund Management Limited - the Management Company	7.1	226	53	36	34	-	123
Sindh sales tax on remuneration of the Management Company	7.2	29	7	5	4	-	16
Reimbursement of allocated expenses	7.3	115	60	41	39	-	140
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	8.1	81	42	28	27	1	98
Sindh sales tax on remuneration of the Trustee	8.2	10	5	4	4	-	13
Annual fee of the Securities and Exchange Commission of Pakistan	9	23	12	8	8	-	28
Settlement and bank charges		9	11	3	1	6	21
Annual listing fee		7	9	9	9	1	28
Auditors' remuneration	13	256	360	371	357	-	1,088
Legal and professional charges		142	253	256	250	-	759
Shariah advisory fee		22	8	10	4	2	24
Printing charges		36	13	7	1	1	22
Total expenses		956	833	778	738	11	2,360
Net income from operating activities		13,875	310	720	1,221	236	2,487
Reversal of provision Sindh Workers' Welfare Fund		-	608	205	157	-	970
Net income for the year before taxation		13,875	918	925	1,378	236	3,457
Taxation	15	-	-	-	-	-	-
Net income for the year after taxation		13,875	918	925	1,378	236	3,457
Earnings per unit	16						
Allocation of net income for the year							
Net income for the after taxation		13,875	918	925	1,378	236	
Income already paid on units redeemed		(10,722)	(918)	(430)	(620)	(33)	
		3,153	-	495	758	203	
Accounting income available for distribution							
- Relating to capital gains		1,302	-	-	67	-	
- Excluding capital gains		1,851	-	495	691	203	
		3,153	-	495	758	203	

The annexed notes 1 to 27 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2023

	For the year ended June 30, 2023	For the year ended June 30, 2022			For the period from June 28, 2022 to June 30, 2022
	NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI
	(Rupees in 000)				
Net income for the year after taxation	13,875	918	925	1,378	236
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	13,875	918	925	1,378	236

The annexed notes 1 to 27 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND FOR THE YEAR ENDED JUNE 30, 2023

	For the year ended June 30, 2023			For the year ended June 30, 2022								
	NICPP-VI			NICPP-III			NICPP-IV			NICPP-V		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Accumulated losses	Total	Capital value	Accumulated losses	Total
	(Rupees in 000)											
Net assets at the beginning of the year	181,137	3	181,140	77,082	1,840	78,922	50,841	(3,342)	47,499	56,616	(2,664)	53,952
Issuance of units:												
NICPP-VI: 28,358 (2022: NICPP-III: Nil units / NICPP-IV: 3,349 units / NICPP-V: 6,086 units / NICPP-VI: 2,270,656 units)												
- Capital value (at ex net asset value per unit)	2,836	-	2,836	-	-	-	332	-	332	600	-	600
- Element of income	43	-	43	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	2,879	-	2,879	-	-	-	332	-	332	600	-	600
Redemption of units:												
NICPP-VI: 1,554,156 (2022: NICPP-III: 351,343 units / NICPP-IV: 233,817 units / NICPP-V: 264,641 units / NICPP-VI: 459,289 units)												
- Capital value (at ex net asset value per unit)	(155,419)	-	(155,419)	(35,515)	-	(35,515)	(23,184)	-	(23,184)	(26,085)	-	(26,085)
- Element of (loss)	(40)	(10,722)	(10,762)	(186)	(918)	(1,104)	(1)	(430)	(431)	1	(620)	(619)
Total payments on redemption of units	(155,459)	(10,722)	(166,181)	(35,701)	(918)	(36,619)	(23,185)	(430)	(23,615)	(26,084)	(620)	(26,704)
Total comprehensive income for the year		13,875	13,875	-	918	918	-	925	925	-	1,378	1,378
Distribution for the year ended June 30, 2023: NICPP-VI @ 11.5318 (2022: NICPP-III Rs nil per unit / NICPP-IV @ Rs 1.9574 per unit / NICPP-V @ Rs 2.6528 per unit / NICPP-VI @ Rs 0.1098 per unit (date of declaration: June 26, 2023))		(3,024)	(3,024)	-	-	-	-	(480)	(480)	-	(750)	(750)
Net assets at the end of the year	28,557	132	28,689	41,381	1,840	43,221	27,988	(3,327)	24,661	31,132	(2,656)	28,476
Undistributed income / (loss) brought forward												
- Realised Income / (loss)		3			(835)			(3,523)			(2,778)	
- Unrealised income		-			2,675			181			114	
		3			1,840			(3,342)			(2,664)	
Accounting income available for distribution												
- Relating to capital gains		1,302			-			-			67	
- Excluding capital gains		1,851			-			495			691	
		3,153			-			495			758	
Distribution for the year ended June 30, 2023: NICPP-VI @ 11.5318 (2022: NICPP-III Rs nil per unit / NICPP-IV @ Rs 1.9574 per unit / NICPP-V @ Rs 2.6528 per unit / NICPP-VI @ Rs 0.1098 per unit (date of declaration: June 26, 2023))		(3,024)			-			(480)			(750)	
Undistributed income / (accumulated losses) carried forward		132			1,840			(3,327)			(2,656)	
Undistributed income / (accumulated losses) carried forward												
- Realised income / (losses)		(226)			3,422			(2,570)			(1,920)	
- Unrealised income / (losses)		358			(1,582)			(757)			(736)	
		132			1,840			(3,327)			(2,656)	
Net asset value per unit at the beginning of the year			100.0020			Rupees			Rupees			Rupees
Net asset value per unit at the end of the year			100.4623			101.0840			99.1553			98.5671
						100.6506			99.2145			98.5976

The annexed notes 1 to 27 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND FOR THE YEAR ENDED JUNE 30, 2023

	For the period from June 28, 2022 to June 30, 2022			Total		
	Capital value	Undistributed income	Total	Capital value	Accumulated losses	Total
----- (Rupees in 000) -----						
Net assets at the beginning of the year	-	-	-	184,539	(4,166)	180,373
Issuance of units:						
NICPP-VI 28,358 (2022: NICPP-III: Nil units / NICPP-IV: 3,349 units / NICPP-V: 6,086 units / NICPP-VI: 2,270,656 units)						
- Capital value (at ex net asset value per unit)	227,066	-	227,066	227,998	-	227,998
- Element of income	-	-	-	-	-	-
Total proceeds on issuance of units	227,066	-	227,066	227,998	-	227,998
Redemption of units:						
NICPP-VI: 1,554,156 (2022: NICPP-III: 351,343 units / NICPP-IV: 233,817 units / NICPP-V: 264,641 units / NICPP-VI: 459,289 units)						
- Capital value (at ex net asset value per unit)	(45,929)	-	(45,929)	(130,713)	-	(130,713)
- Element of (loss)	-	(33)	(33)	(186)	(2,001)	(2,187)
Total payments on redemption of units	(45,929)	(33)	(45,962)	(130,899)	(2,001)	(132,900)
Total comprehensive income for the year	-	236	236	-	3,457	3,457
Distribution for the year ended June 30, 2023: NICPP-VI @ 11.5318 (2022: NICPP-III Rs nil per unit / NICPP-IV @ Rs 1.9574 per unit / NICPP-V @ Rs 2.6528 per unit / NICPP-VI @ Rs 0.1098 per unit (date of declaration: June 26, 2023))	-	(200)	(200)	-	(1,430)	(1,430)
Net assets at the end of the year	181,137	3	181,140	281,638	(4,140)	277,498
Undistributed income / (loss) brought forward						
- Realised Income / (loss)						
- Unrealised income						
Accounting income available for distribution						
- Relating to capital gains						
- Excluding capital gains						
Distribution for the year ended June 30, 2023: NICPP-VI @ 11.5318 (2022: NICPP-III Rs nil per unit / NICPP-IV @ Rs 1.9574 per unit / NICPP-V @ Rs 2.6528 per unit / NICPP-VI @ Rs 0.1098 per unit (date of declaration: June 26, 2023))						
Undistributed income / (accumulated losses) carried forward						
Undistributed income / (accumulated losses) carried forward						
- Realised income / (losses)						
- Unrealised income / (losses)						
Net asset value per unit at the beginning of the year						
Net asset value per unit at the end of the year						

The annexed notes 1 to 27 form an integral part of these financial statements.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2023

	2023	For the year ended June 30, 2022			For the period from June 28, 2022 to June 30, 2022	Total
	NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	
Note (Rupees in 000)						
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income for the year before taxation	13,875	918	925	1,378	236	3,457
Adjustments						
Unrealised (appreciation) / diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.2 (358)	1,582	757	736	-	3,075
Profit on balances with banks	(3,458)	(471)	(336)	(229)	(247)	(1,283)
(Reversal of provision) against Sindh Workers' Welfare Fund	-	(608)	(205)	(157)	-	(970)
	(3,816)	503	216	350	(247)	822
Decrease / (increase) in assets						
Investments	(34)	33,328	23,640	24,280	(25,000)	56,248
Other receivables	72	-	-	-	(153)	(153)
	38	33,328	23,640	24,280	(25,153)	56,095
(Decrease) / increase in liabilities						
Payable to NBP Fund Management Limited - the Management Company	(7,510)	(10)	(6)	(6)	7,765	7,743
Payable to Central Depository Company of Pakistan Limited - the Trustee	1	(4)	(1)	(2)	1	(6)
Payable to the Securities and Exchange Commission of Pakistan	23	(9)	(8)	(5)	-	(22)
Dividend payable	-	(189)	(91)	(35)	-	(315)
Accrued expenses and other liabilities	890	(538)	(263)	(191)	44	(948)
	(6,596)	(750)	(369)	(239)	7,810	6,452
Profit received on balances with banks	3,633	475	328	221	(1)	1,023
Net cash generated from / (used in) operating activities	7,134	34,474	24,740	25,990	(17,355)	67,849
CASH FLOWS FROM FINANCING ACTIVITIES						
Net receipts from issuance of units	2,879	-	332	600	227,066	227,998
Net payments against redemption of units	(167,300)	(36,619)	(23,615)	(26,704)	(44,843)	(131,781)
Distributions paid	(3,024)	-	(480)	(750)	(200)	(1,430)
Net cash (used in) / generated from financing activities	(167,445)	(36,619)	(23,763)	(26,854)	182,023	94,787
Net (decrease) / increase in cash and cash equivalents during the year	(160,311)	(2,145)	977	(864)	164,668	162,636
Cash and cash equivalents at the beginning of the year	164,668	6,359	1,728	5,141	-	13,228
Cash and cash equivalents at the end of the year	4,357	4,214	2,705	4,277	164,668	175,864

The annexed notes 1 to 27 form an integral part of these financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Islamic Active Allocation Fund-III (the Fund) is an open ended mutual fund constituted under a Trust Deed entered between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on March 28, 2018.

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 is required to be registered under the Sindh Trust Act. Accordingly, on October 15, 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 (the SECP). The registered office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block No. 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 Shariah compliant fund of funds 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 listed on the Pakistan Stock Exchange Limited. The units of the Fund are transferable and redeemable by surrendering them to the Fund.

In this reporting period, Plans NICPP III, IV and V under NIAAF III were matured on May 19, 2023, due to their attainment of initial maturity prior to this date. Further, initial maturity date of NICPP VI is June 27, 2024.

The objective of NAFA Islamic Active Allocation Fund-III is to earn a potentially high return through dynamic asset allocation between Shariah compliant dedicated equity and money market based collective investment schemes, while providing capital preservation of the initial investment value including sales load at completion of twenty four months and beyond. The investment objectives and policies are explained in the Fund's offering document.

The Pakistan Credit Rating Agency (PACRA) has reaffirmed an Asset Manager Rating of AM1 as at June 22, 2023 (June 22, 2022: AM1) to the Management Company. The Fund has not yet been rated.

The title to the assets of the Fund is held in the name of CDC as the Trustee of the Fund.

2 BASIS OF PRESENTATION

2.1 From May 19, 2023 the size of NAFA Islamic Active Allocation Fund III (NICPP-VI) fell to Rs. 37.6 million, which is below the minimum fund size requirement of Rs. 100 million as per sub-regulation 3(a) of Regulation 54 of the NBFC Regulations.

The management company does not have the intention to rebuild the required minimum Fund size. Therefore, these financial statements have been prepared on basis other than going concern. However, no adjustments are required in the financial statements as the assets and liabilities of the Fund are stated at values at which they are expected to be realized or settled.

2.2 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.

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

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

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

2.5 Critical accounting estimates and judgments

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

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 3.3 and 5).

2.6 Basis of measurement

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

2.7 Functional and presentation currency

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

2.8 ADOPTION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO THE PUBLISHED APPROVED ACCOUNTING STANDARDS:

New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2023

The following standards, amendments and interpretations are effective for the year ended June 30, 2023. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

Effective from accounting period beginning on or after:

Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates.	January 01, 2023

New accounting standards / amendments and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the fund's financial statements other than certain additional disclosures.

Effective from accounting periods beginning on or after:

Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction.	January 01, 2023
Amendments to IAS 12 'Income taxes' - International Tax Reform — Pillar Two Model Rules	January 01, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IFRS 16 'Leases' -Clarification on how seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 9 'Financial instruments' - Supplier Finance Arrangements	January 01, 2024
Amendments to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 17 – Insurance Contracts

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.2 Cash and cash equivalents

These comprise balances with banks in profit and loss sharing and current accounts, cheques in hand and other short-term highly liquid investments with original maturities of three months or less.

3.3 Financial assets

3.3.1 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.

3.3.2 Classification and subsequent measurement

3.3.2.1 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); and
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

The investments of the Fund includes investments in units of mutual funds which are categorised as puttable instruments and are mandatorily required to be classified as financial assets 'at fair value through profit or loss'.

3.3.3 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

Financial assets 'at fair value through profit or loss'

Basis of valuation in the collective investment schemes

The investments of the Fund in the collective investment scheme are valued on the basis of daily net assets value (NAV) announced by the Management Company.

The fair value of financial instruments i.e. investment in mutual funds is based on their net asset value at the reporting date without any deduction for estimated future selling costs.

Net gains and losses arising from changes in the fair value of financial assets carried 'at fair value through profit or loss' are taken to the income statement.

3.3.4 Impairment

The Fund assesses on a forward-looking basis the expected credit loss (ECL) associated with its financial assets 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.

3.3.5 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.

3.3.6 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.

3.3.7 Derivatives

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

3.4 Financial liabilities

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

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

3.5 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.

3.6 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.

3.7 Net asset value per unit

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

3.8 Issue and redemption of units

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

3.9 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 Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes a portion of income already paid on units redeemed during the year.

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

3.10 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 asset value per unit on the issuance or redemption date, as the case may be, of units and the net asset 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.

3.11 Revenue recognition

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

3.12 Expenses

All expenses including remuneration of the Management Company and the Trustee and annual fee of the SECP are recognised in the income statement on an accrual basis.

3.13 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 accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units as the case may be shall not be taken into account. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the fund for the year ended June 30, 2023 to the unit holders in the manner as explained above. Accordingly, no provision has been made in the financial statements for the year ended 30 June 2023.

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.

3.14 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net income / (loss) of the year before taxation of the Fund by the weighted average number of units outstanding during the year. The determination of earning per unit is not practicable as disclosed in note 16.

3.15 Foreign currency translation

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

4 BANK BALANCES

	June 30, 2023	June 30, 2022					
		NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	Total
Note		------(Rupees in 000)-----					
Balances with banks in:							
Savings accounts	4.1	4,343	4,160	2,438	3,706	164,668	174,972
Current accounts		14	54	267	571	-	892
		4,357	4,214	2,705	4,277	164,668	175,864

4.1 These carry profits at rates ranging from nil per annum (2022: 6.5% to 15.59% per annum) for NICPP - III, nil per annum (2022: 6.5% to 15% per annum) for NICPP - IV, nil per annum (June 30, 2022: 6.5% to 15% per annum) for NICPP - V and 19% (June 30, 2022: 14.5%) for NICPP - VI.

5 INVESTMENTS

	June 30, 2023	June 30, 2022					
		NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	Total
Note		------(Rupees in 000)-----					
Financial assets at 'fair value through profit or loss'							
- Units of open ended mutual funds	5.1	25,392	39,289	22,623	24,384	25,000	111,296

5.1 Investment in units of open end mutual funds - related parties

5.1.1 NBP Islamic Capital Preservation Plan - VI

Name of the investee funds	Number of units				Carrying value as at June 30, 2023	Market value as at June 30, 2023	Market value as a percentage of net assets of the Plan	Market value as a percentage of total investments of the Plan
	As at July 1, 2022	Purchased / Dividend re-invested during the period	Redeemed during the period	As at June 30, 2023				
NBP Islamic Active Allocation Equity Fund	2,414,922	-	2,414,922	-	-	-	-	-
NBP Islamic Money Market Fund	-	4,678,741	2,768,472	1,910,269	18,997	19,355	67.46	76.22
NBP Islamic Daily Dividend Fund	-	12,653,675	12,050,000	603,675	6,037	6,037	21.04	23.78
As at June 30, 2023				2,513,944	25,034	25,392	88.50	100.00
As at June 30, 2022				2,414,922	25,000	25,000		

5.2 Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net

	June 30, 2023	June 30, 2022					
		NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	Total
Note		(Rupees in 000)					
Market value of investments	5.1	25,392	39,289	22,623	24,384	25,000	111,296
Less: carrying value of investments	5.1	(25,034)	(40,871)	(23,380)	(25,120)	(25,000)	(114,371)
		358	(1,582)	(757)	(736)	-	(3,075)

6 OTHER RECEIVABLES

Advance tax	6	81	220	-	450	153	823
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6.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding taxes under sections 151 and 150. However, withholding taxes on profit on balances with banks to the Fund were deducted by various withholding agents based on the interpretation issued by FBR vide letter C. No. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholders. The taxes withheld on profit on balances with banks amount to Rs Nil (2022: Rs 0.220 million) in NICPP III, Rs Nil (2022: Nil) in NICPP IV, Rs Nil (2022: Rs 0.450 million) in NICPP V and Rs 0.081 million (2022:Rs 0.153 million) in NICPP VI.

Advance tax as at 30 June 2023 as in the opinion of the management, the amount of tax deducted at source will be refunded.

7 PAYABLE TO NBP FUND MANAGEMENT LIMITED - THE MANAGEMENT COMPANY - RELATED PARTY

	2023	2022					
		NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	Total
Note		(Rupees in 000)					
Remuneration payable to the Management Company	7.1	4	3	1	3	-	7
Sindh sales tax payable on remuneration of the Management Company	7.2	-*	1	1	1	-	3
Reimbursement of allocated expenses payable	7.3	9	12	8	7	-	27
Sales load payable		210	-	-	-	6,844	6,844
Sindh sales tax payable on sales load		27	-	-	-	893	893
Transfer load payable		-	-	-	-	23	23
Other payables		5	28	24	29	5	86
		255	44	34	40	7,765	7,883

* Nil due to rounding off

7.1 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 remuneration as follows:

- The management company has charged its remuneration for Plan NICPP-VI at the rate of 1% per annum of the average net assets after deduction market value of investment in collective investment scheme during the year ended June 30, 2023.

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

7.2 The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Management Company and sales load through Sindh Sales Tax on Services Act, 2011, effective from 01 July 2011. During the year, Sindh Sales

Tax at the rate of 13% (30 June 2022: 13%) was charged on management remuneration and sales load.

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

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

- From 01 July 2022 to 30 June 2023, at the rate of 0.1% of the average annual net assets of the Fund.

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE

Note	2023 NICPP-VI	2022				Total	
		NICPP-III	NICPP-IV	NICPP-V	NICPP-VI		
	(Rupees in 000)						
Trustee fee payable	8.1	2	2	2	1	1	6
Sindh sales tax on trustee fee	8.2	-*	-*	-*	-*	-*	-*
		<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>6</u>

*Nil due to rounding off

The Trustee is entitled to a monthly remuneration for services rendered to the Fund as stated below under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets value of the Fund:

- 8.1** The Trustee is entitled to monthly remuneration of 0.07% (2022: 0.07%) per annum of average net assets for services rendered to the Fund under the provisions of the Trust Deed.
- 8.2** During the year, an amount of Rs nil (2022: Rs 0.007 million) NICPP-III, Rs nil (2022: Rs 0.005 million) NICPP-IV, Rs nil (2022: Rs 0.004 million) NICPP-V and Rs 0.0002 million in NICPP-VI (2022: Rs nil), was charged on account of sales tax at the rate of 13% (2022: 13%) on management fee levied through Sindh Sales Tax on Services Act, 2011.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Note	2023 NICPP-VI	2022				Total	
		NICPP-III	NICPP-IV	NICPP-V	NICPP-VI		
	(Rupees in 000)						
Annual fee payable	9.1	<u>23</u>	<u>12</u>	<u>8</u>	<u>8</u>	<u>-*</u>	<u>28</u>

*Nil due to rounding off

- 9.1** Under the provisions of the NBFC Regulations, a collective scheme categorized as an Fund of Fund scheme is required to pay an annual fee to SECP at an amount equal to 0.02 percent per annum of the average net assets of the Fund. The fee is paid annually in arrears.

10 ACCRUED EXPENSES AND OTHER LIABILITIES

Note	2023 NICPP-VI	2022				Total
		NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	
	(Rupees in 000)					
Auditors' remuneration payable	196	266	266	266	-	798
Printing charges payable	23	19	14	10	1	44
Legal and professional charges payable	31	140	139	140	-	419
Withholding tax payable	641	19	99	170	38	326
Shariah advisor fee payable	24	10	10	6	2	28
Annual listing fee payable	-	-	-	-	1	1
Bank charges payable	19	27	65	21	2	115
Other payables	-	6	-	-	-	6
	<u>934</u>	<u>487</u>	<u>593</u>	<u>613</u>	<u>44</u>	<u>1,737</u>

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 June 2023 and 30 June 2022.

12 NUMBER OF UNITS IN ISSUE

	2023			2022		Total
	NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	
	-----Number of units-----					
Total units in issue at the beginning of the year	1,811,367	780,759	479,034	547,361	-	1,807,154
Units issued during the year	28,358	-	3,349	6,086	2,270,656	2,280,091
Less: units redeemed during the year	1,554,156	351,343	233,817	264,641	459,289	1,309,090
Total units in issue at the end of the year	285,569	429,416	248,566	288,806	1,811,367	2,778,155

13 AUDITORS' REMUNERATION

2023	For the year ended June 30, 2022				For the period from June 28, 2022 to June 30, 2022	Total
	NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	
	----- (Rupees in 000) -----					
Annual audit fee	150	210	210	210	-	630
Half yearly review	50	84	84	84	-	252
Other certification	20	40	40	40	-	120
Out of pocket expenses and sales tax	36	26	37	23	-	86
	256	360	371	357	-	1,088

14 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 issue at the year end.

15 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 accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units as the case may be shall not be taken into account. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the fund for the year ended June 30, 2023 to the unit holders in the manner as explained above. Accordingly, no provision has been made in the financial statements for the year ended 30 June 2023.

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.

16 EARNINGS / (LOSS) PER UNIT

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

17 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2023 is nil (2022: 1.39%) - NICPP-III, nil (2022:1.92%) - NICPP-IV, nil (2022:1.90%) - NICPP-V and 0.83% (2022: 1.12%) - NICPP - VI, which includes government levies nil (2022: 0.04%) - NICPP - III, nil (2022: 0.04%) - NICPP - IV, nil (2022: 0.04%) - NICPP - V and 0.05% (2022: 0.04%) - NICPP - VI, which is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a 'Fund of Funds' scheme.

18 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

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

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

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

18.5 Allocated expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

18.6 Details of the transactions with related parties / connected persons are as follows:

2023	For the year ended June 30, 2022				For the period from June 28, 2022 to June 30, 2022	Total
	NICPP-VI	NICPP-III	NICPP-IV	NICPP-V		

----- (Rupees in 000) -----

NBP Fund Management Limited - the Management Company

Remuneration of the Management Company	226	53	36	34	-	123
Sindh sales tax on remuneration of the Management Company	29	7	5	4	-	16
Reimbursement of allocated expenses	115	60	41	39	-	140

Central Depository Company of Pakistan Limited - the Trustee

Remuneration of Central Depository Company of Pakistan Limited - the Trustee	81	42	28	27	1	98
Sindh sales tax on remuneration of the Trustee	10	5	4	4	-***	13

Employee of the Management Company

Units sold:						
- Nil (2022: 1,783) units (NICPP - III)	-	183	-	-	-	183
- 4,259 (2022: 4,317) units (NICPP - VI)	430	-	-	-	438	438
Dividend re-invested :						
- 5 (2022: 3) units (NICPP - VI)	1	-	-	-	-	-

2023	For the year ended June 30, 2022			For the period from June 28, 2022 to June 30, 2022	Total
	NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	

(Rupees in 000)

IM Sciences Trust - unit holder with more than 10% holding**

Dividend re-invested - Nil (2022: 2,371) units (NICPP V)

-	-	-	234	-	234
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Welfare Fund Account 25 Signal Battalion

- unit holder with more than 10% holding**

Dividend re-invested - Nil (2022: 1,286) units (NICPP IV)

-	-	128	-	-	128
---	---	-----	---	---	-----

Tanveer Ahmad - unit holder with more than 10% holding**

Distribution paid

-	-	66	-	-	66
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Hum Network Limited Provident Fund Trust - unit holder with more than 10% holding**

Units purchased: Nil (2022: 630,883) units (NICPP - VI)

-	-	-	-	63,088	63,088
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Dividend re-invested - Nil (2022: 589) units (NICPP VI)

-	-	-	-	59	59
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Investment in NBP Islamic Active Allocation Equity Fund

Dividend income

-	-	-	-	-	-
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Units purchased:

- Nil (2022: 1,531,094) units (NICPP - III),
- Nil (2022: 846,369) units (NICPP - IV),
- Nil (2022: 617,842) units (NICPP - V) and
- Nil (2022: 2,414,922) units (NICPP - VI)

-	18,620	10,379	7,519	25,000	61,518
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Units sold:

- Nil (2022: 2,527,605) units (NICPP - III),
- Nil (2022: 953,074) units (NICPP - IV) and
- Nil (2022: 543,871) units (NICPP - V)

-	29,241	10,829	6,378	-	46,448
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Investment in NBP Islamic Money Market Fund

Dividend income

943	465	68	222	-	755
-----	-----	----	-----	---	-----

Units purchased:

- Nil (2022: 2,634,157) units (NICPP - III),
- Nil (2022: 1,498,113) units (NICPP - IV) and
- Nil (2022: 872,589) units (NICPP - V)
- 4,678,741 (2022: nil) units (NICPP - VI)

48,623	26,783	15,313	8,844	-	50,940
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Units sold:

- Nil (2022: 6,248,753) units (NICPP - III),
- Nil (2022: 4,634,717) units (NICPP - IV) and
- Nil (2022: 4,772,125) units (NICPP - V)
- 2,768,472 (2022: nil) units (NICPP - VI)

30,554	64,147	47,901	48,924	-	160,972
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2023	For the year ended June 30, 2022				For the period from June 28, 2022 to June 30, 2022	Total
	NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	

(Rupees in 000)

Investment in NBP Islamic Daily Dividend Fund

Dividend income	9,128	1,258	1,328	1,441	-	4,027
Units purchased:	126,536	24,126	23,720	26,246	-	74,092
- Nil (2022: 2,412,589) units (NICPP - III),						
- Nil (2022: 2,371,968) units (NICPP - IV) and						
- Nil (2022: 2,624,614) units (NICPP - V)						
- 12,653,675 (2022: nil) units (NICPP - VI)						
Units sold:	120,500	10,000	13,924	12,390	-	36,314
- Nil (2022: 1,000,000) units (NICPP - III),						
- Nil (2022: 1,392,400) units (NICPP - IV) and						
- Nil (2022: 1,239,000) units (NICPP - V)						
- 12,050,000 (2022: nil) units (NICPP - VI)						

Samuel Robert Azariah*

- unit holder with more than 10% holding

Dividend re-invested - 3,211 (2022: nil) units (NICPP VI)	322	-	-	-	-	-
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Samiullah Butt*

- unit holder with more than 10% holding

Dividend re-invested - 2,418 (2022: nil) units (NICPP VI)	242	-	-	-	-	-
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18.7 Amounts outstanding as at year end

NBP Fund Management Limited - the Management Company

Remuneration payable to the Management Company	4	3	1	3	-	7
Sindh sales tax payable on remuneration of the Management Company	***	1	1	1	-	3
Other payables	5	28	24	29	5	86
Reimbursement of allocated expenses payable	9	12	8	7	-	27
Sales Load Payable	210	-	-	-	6,844	6,844
Sindh sales tax payable on sales load	27	-	-	-	893	893
Transfer Load payable	-	-	-	-	23	23

Central Depository Company of Pakistan Limited - the Trustee

Remuneration payable	2	2	2	1	1	6
Sindh sales tax payable on remuneration of the Trustee	***	***	***	***	***	***

Employee of the Management Company*

Units held:						
- 67 (2022: 4,321) units (NICPP - VI)	7	***	***	***	432	432

2023	For the year ended June 30, 2022				For the period from June 28, 2022 to June 30, 2022	Total
	NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	

(Rupees in 000)

IM Sciences Trust - unit holder with more than 10% holding**

Units held: Nil (2022: 106,048) units
(NICPP - V)

- - - 10,456 - 10,456

Welfare Fund Account 25 Signal Battalion - unit holder with more than 10% holding**

Units held: Nil (2022: 66,484) units
(NICPP IV)

- - 6,596 - - 6,596

Tanveer Ahmad - unit holder with more than 10% holding**

Units held: Nil (2022: 48,478) units
(NICPP IV)

- - 4,810 - - 4,810

BN Fund Account 3 Commando SSG - unit holder with more than 10% holding**

Units held: Nil (2022: 75,523) units (NICPP III)

- 7,601 - - - 7,601

Rukia Jaffer - unit holder with more than 10% holding**

Units held: nil (2022: 52,260) units (NICPP III)

- 5,260 - - - 5,260

Hum Network Limited Provident Fund Trust - unit holder with more than 10% holding**

Units held: Nil (2022: 631,472) units
(NICPP VI)

- - - - 63,148 63,148

NBP Islamic Active Allocation Equity Fund

Investment in:
- Nil (2022:1,151,421) units (NICPP - III),
- Nil (2022: 480,577) units (NICPP - IV) and
- Nil (2022: 481,393) units (NICPP - V)
- Nil (2022: 2,414,922) units (NICPP - VI)

- 11,920 4,975 4,984 25,000 46,879

NBP Islamic Money Market Fund

Investment in:
- Nil (2022: 1,314,248) units (NICPP - III),
- Nil (2022: 779,301) units (NICPP - IV) and
- Nil (2022: 550,250) units (NICPP - V)
- 1,910,269 (2022: nil) units (NICPP - VI)

19,355 13,243 7,852 5,544 - 26,639

NBP Islamic Daily Dividend Fund

Investment in:
- Nil (2022: 1,412,589) units (NICPP - III),
- Nil (2022: 979,568) units (NICPP - IV) and
- Nil (2022: 1,385,614) units (NICPP - V)
- 603,675 (2022: nil) units (NICPP - VI)

6,037 14,126 9,796 13,856 - 37,778

2023	For the year ended June 30, 2022				For the period from June 28, 2022 to June 30, 2022	Total
	NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	

(Rupees in 000)

Samuel Robert Azariah*

- unit holder with more than 10% holding

Dividend re-invested -35,988 (2022: nil) units (NICPP VI) **3,615** - - - - -

Samiullah Butt*

- unit holder with more than 10% holding

Dividend re-invested -32,390 (2022: nil) units (NICPP VI) **3,254** - - - - -

* Prior period comparative has not been shown as the company was not a related party / connected person as at June 30, 2022.

** Current period figure has not been presented as the person is not classified as a related party / connected person of the Fund as at June 30, 2023.

*** Nil due to rounding off

19 FINANCIAL INSTRUMENTS BY CATEGORY

2023			2022		
At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total

(Rupees in 000)

19.1 NAFA Islamic Capital Preservation Plan - III

Financial assets

Balances with banks	-	-	-	4,214	-	4,214
Investments	-	-	-	-	39,289	39,289
Profit receivable	-	-	-	43	-	43
	-	-	-	4,257	39,289	43,546

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company	-	-	-	44	-	44
Payable to Central Depository Company of Pakistan Limited - the Trustee	-	-	-	2	-	2
Payable against redemption of units	-	-	-	-	-	-
Dividend payable	-	-	-	-	-	-
Accrued expenses and other liabilities	-	-	-	468	-	468
	-	-	-	514	-	514

19.2 NAFA Islamic Capital Preservation Plan - IV

Financial assets

Balances with banks	-	-	-	2,705	-	2,705
Investments	-	-	-	-	22,623	22,623
Profit receivable	-	-	-	37	-	37
Receivable against sale of investments	-	-	-	-	-	-
	-	-	-	2,742	22,623	25,365

	2023			2022		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
----- (Rupees in 000) -----						
Financial liabilities						
Payable to NBP Fund Management Limited - the Management Company	-	-	-	34	-	34
Payable to Central Depository Company of Pakistan Limited - the Trustee	-	-	-	2	-	2
Dividend payable	-	-	-	67	-	67
Accrued expenses and other liabilities	-	-	-	494	-	494
	-	-	-	597	-	597

19.3 NBP Islamic Capital Preservation Plan - V

Financial assets

Balances with banks	-	-	-	4,277	-	4,277
Investments	-	-	-	-	24,384	24,384
Profit receivable	-	-	-	27	-	27
	-	-	-	4,304	24,384	28,688

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company	-	-	-	40	-	40
Payable to Central Depository Company of Pakistan Limited - the Trustee	-	-	-	1	-	1
Dividend payable	-	-	-	-	-	-
Accrued expenses and other liabilities	-	-	-	443	-	443
	-	-	-	484	-	484

19.4 NBP Islamic Capital Preservation Plan - VI

Financial assets

Balances with banks	4,357	-	4,357	164,668	-	164,668
Investments	-	25,392	25,392	-	25,000	25,000
Profit receivable	73	-	73	248	-	248
	4,430	25,392	29,822	164,916	25,000	189,916

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company	255	-	255	7,765	-	7,765
Payable to Central Depository Company of Pakistan Limited - the Trustee	2	-	2	1	-	1
Payable against redemption of units	-	-	-	1,119	-	1,119
Dividend payable	-	-	-	-	-	-
Accrued expenses and other liabilities	934	-	934	6	-	6
	1,191	-	1,191	8,891	-	8,891

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

20.1 Market risk

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

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

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

(i) Yield / profit rate risk

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2023, the Fund is exposed to such risk on its balances with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net profit for the year and net assets of the Fund would have been higher / lower by for NICPP - III: Nil (2022: Rs 0.042 million), NICPP - IV: Nil (2022: Rs 0.024 million), NICPP - V: Nil (2022: Rs 0.037 million) and NICPP - VI: 0.043 (2022: Rs 1.647 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2023, the Fund does not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk.

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

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2023 can be determined as follows:

* NAFA Islamic Capital Preservation Plan - III, IV and V were discontinued during the year.

*NAFA Islamic Capital Preservation Plan - III

	2022					
	Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit 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						
Balances with banks	6.5% - 15.59%	4,160	-	-	54	4,214
Investments		-	-	-	39,289	39,289
Profit receivable		-	-	-	43	43
		4,160	-	-	39,386	43,546
Financial liabilities						
Payable to NBP Fund Management Limited - the Management Company		-	-	-	44	44
Payable to Central Depository Company of Pakistan Limited - the Trustee		-	-	-	2	2
Dividend payable		-	-	-	-	-
Accrued expenses and other liabilities -		-	-	-	468	468
		-	-	-	514	514
On-balance sheet gap		4,160	-	-	38,872	
Total profit rate sensitivity gap		4,160	-	-		
Cumulative profit rate sensitivity gap		4,160	4,160	4,160		

*NAFA Islamic Capital Preservation Plan - IV

2022					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit 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					
Balances with banks	2,438	-	-	267	2,705
Investments	-	-	-	22,623	22,623
Profit receivable	-	-	-	37	37
Receivable against sale of investments	-	-	-	-	-
	2,438	-	-	22,927	25,365
Financial liabilities					
Payable to NBP Fund Management Limited - the Management Company	-	-	-	34	34
Payable to Central Depository Company of Pakistan Limited - the Trustee	-	-	-	2	2
Dividend payable	-	-	-	67	67
Accrued expenses and other liabilities -	-	-	-	494	494
	-	-	-	597	597
On-balance sheet gap	2,438	-	-	22,330	
Total profit rate sensitivity gap	2,438	-	-		
Cumulative profit rate sensitivity gap	2,438	2,438	2,438		

*NBP Islamic Capital Preservation Plan - V

2022					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit 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					
Balances with banks	3,706	-	-	571	4,277
Investments	-	-	-	24,384	24,384
Other receivable	-	-	-	-	-
Profit receivable	-	-	-	27	27
	3,706	-	-	24,982	28,688
Financial liabilities					
Payable to NBP Fund Management Limited - the Management Company	-	-	-	40	40
Payable to Central Depository Company of Pakistan Limited - the Trustee	-	-	-	1	1
Dividend payable	-	-	-	-	-
Accrued expenses and other liabilities -	-	-	-	443	443
	-	-	-	484	484
On-balance sheet gap	3,706	-	-	24,498	
Total profit rate sensitivity gap	3,706	-	-		
Cumulative profit rate sensitivity gap	3,706	3,706	3,706		

NBP Islamic Capital Preservation Plan - VI

2023

Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit 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

Balances with banks	19.5	4,343	-	-	14	4,357
Investments		-	-	-	25,392	25,392
Profit receivable		-	-	-	73	73
		4,343	-	-	25,479	29,822

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company		-	-	-	255	255
Payable to Central Depository Company of Pakistan Limited - the Trustee		-	-	-	2	2
Payable against redemption of units		-	-	-	-	-
Dividend payable		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	293	293
		-	-	-	550	550

On-balance sheet gap

4,343 - - 24,929

Total profit rate sensitivity gap

4,343 - -

Cumulative profit rate sensitivity gap

4,343 4,343 4,343

NBP Islamic Capital Preservation Plan - VI

2022

Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit 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

Balances with banks	14.50%	164,668	-	-	-	164,668
Investments		-	-	-	25,000	25,000
Profit receivable		-	-	-	248	248
		164,668	-	-	25,248	189,916

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company		-	-	-	7,765	7,765
Payable to Central Depository Company of Pakistan Limited - the Trustee		-	-	-	1	1
Payable against redemption of units		-	-	-	1,119	1,119
Dividend payable		-	-	-	-	-
Accrued expenses and other liabilities -		-	-	-	6	6
		-	-	-	8,891	8,891

On-balance sheet gap

164,668 - - 16,357

Total profit rate sensitivity gap

164,668 - -

Cumulative profit rate sensitivity gap

164,668 164,668 164,668

(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 profit 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.

Presently, the allocation plans are exposed to price risk due to their investment in the units of mutual funds. In case of 5% increase / decrease in the net asset value per unit of the funds, the net income of the NICPP - III, NICPP - IV, NICPP - V and NICPP - VI for the year would increase / decrease by Nil (2022: Rs 1.964 million), Nil (2022: Rs 1.131 million), Nil (2022: Rs 1.219 million), Nil (2022: Nil) and 1.269 (2022: Nil) respectively.

20.2 Liquidity risk

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

The Fund is exposed to daily redemptions requests, 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 of and are considered readily realisable.

As per the NBFC Regulations, 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.

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

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

* NAFA Islamic Capital Preservation Plan - III, IV and V were discontinued during the year.

*NAFA Islamic Capital Preservation Plan - III

2022						
Within one 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 five years	Financial instruments with no fixed maturity	Total

(Rupees in 000)

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company	44	-	-	-	-	44
Payable to Central Depository Company of Pakistan Limited - the Trustee	2	-	-	-	-	2
Dividend payable	-	-	-	-	-	-
Accrued expenses and other liabilities	202	266	-	-	-	468
	248	266	-	-	-	514

***NAFA Islamic Capital Preservation Plan - IV**

2022

Within one 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 five years	Financial instruments with no fixed maturity	Total
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(Rupees in 000)

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company	34	-	-	-	-	34
Payable to Central Depository Company of Pakistan Limited - the Trustee	2	-	-	-	-	2
Payable against redemptions of units	-	-	-	-	-	-
Dividend payable	67	-	-	-	-	67
Accrued expenses and other liabilities	228	266	-	-	-	494
	331	266	-	-	-	597

***NBP Islamic Capital Preservation Plan - V**

2022

Within one 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 five years	Financial instruments with no fixed maturity	Total
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(Rupees in 000)

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company	40	-	-	-	-	40
Payable to Central Depository Company of Pakistan Limited - the Trustee	1	-	-	-	-	1
Dividend payable	-	-	-	-	-	-
Accrued expenses and other liabilities	177	266	-	-	-	443
	218	266	-	-	-	484

NBP Islamic Capital Preservation Plan - VI

2023

Within one 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 five years	Financial instruments with no fixed maturity	Total
------------------	---	--	--	----------------------	--	-------

(Rupees in 000)

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company	255	-	-	-	-	255
Payable to Central Depository Company of Pakistan Limited - the Trustee	2	-	-	-	-	2
Dividend payable	-	-	-	-	-	-
Accrued expenses and other liabilities	293	-	-	-	-	293
	550	-	-	-	-	550

2022

Within one 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 five years	Financial instruments with no fixed maturity	Total
------------------	---	--	--	----------------------	--	-------

(Rupees in 000)

Financial liabilities

Payable to NBP Fund Management Limited - the Management Company	7,765	-	-	-	-	7,765
Payable to Central Depository Company of Pakistan Limited - the Trustee	1	-	-	-	-	1
Payable against redemption of units	1,119	-	-	-	-	1,119
Dividend payable	-	-	-	-	-	-
Accrued expenses and other liabilities	6	-	-	-	-	6
	8,891	-	-	-	-	8,891

20.3 Credit risk

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

2023		2022	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk

(Rupees in 000)

NAFA Islamic Capital Preservation Plan - III

Balances with banks	-	-	4,214	4,214
Investments	-	-	39,289	39,289
Profit receivable	-	-	43	43
	-	-	43,546	43,546

NAFA Islamic Capital Preservation Plan - IV

Balances with banks	-	-	2,705	2,705
Investments	-	-	22,623	22,623
Profit receivable	-	-	37	37
Receivable against sale of investments	-	-	-	-
	-	-	25,365	25,365

NBP Islamic Capital Preservation Plan - V

Balances with banks	-	-	4,277	4,277
Investments	-	-	24,384	24,384
Profit receivable	-	-	27	27
	-	-	28,688	28,688

NBP Islamic Capital Preservation Plan - VI

Balances with banks	4,357	4,357	164,668	164,668
Investments	25,392	25,392	25,000	25,000
Profit receivable	73	73	248	248
	29,822	29,822	189,916	189,916

The maximum exposure to credit risk before any credit enhancement as at June 30, 2023 is the carrying amount of the financial assets.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on investments in mutual funds is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instruments guidelines approved by the Investment Committee.

20.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and profit accrued thereon. The credit rating profile of balances with banks is as follows:

Rating	2023		2022			
	of financial assets exposed to credit risk		of financial assets exposed to credit risk			
	NICPP-VI	NICPP-III	NICPP-IV	NICPP-V	NICPP-VI	
(Rupees in 000)						
Banks						
AAA	-	3,895	2,342	802	-	
AA+	-	-	-	-	-	
AA	3,928	262	93	3,344	164,668	
AA-	415	57	270	131	-	
	4,343	4,214	2,705	4,277	164,668	

21 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at 30 June 2023 and 30 June 2022, the Fund held the following financial instruments measured at fair values:

2023				2022			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
(Rupees in 000)							

21.1 NAFA Islamic Capital Preservation Plan-III

ASSETS

Investments - financial assets 'at fair value through profit or loss'

- Mutual fund units	-	-	-	-	39,289	-	39,289
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2023				2022			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total

(Rupees in 000)

NAFA Islamic Capital Preservation Plan-IV

ASSETS

Investments - financial assets 'at fair

value through profit or loss'

- Mutual fund units

-	-	-	-	-	22,623	-	22,623
---	---	---	---	---	--------	---	--------

NBP Islamic Capital Preservation Plan-V

ASSETS

Investments - financial assets 'at fair

value through profit or loss'

- Mutual fund units

-	-	-	-	-	24,384	-	24,384
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NBP Islamic Capital Preservation Plan-VI

ASSETS

Investments - financial assets 'at fair

value through profit or loss'

- Mutual fund units

-	25,392	-	25,392	-	25,000	-	25,000
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22 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holders' fund.

The Fund has no restriction on the redemption of units. As required under the NBFC Regulations 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. As at June 30, 2023 fund size fell below the minimum fund size requirement of Rs. 100 million. As disclose in Note 2.1.

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

23 UNIT HOLDING PATTERN OF THE FUND

Category	2023			2022		
	Number of unit holders	Investment amount	Percentage of total	Number of unit holders	Investment amount	Percentage of total

(Rupees in 000)

NAFA Islamic Capital Preservation Plan - III

Individuals	-	-	-	101	29,892	69.16%
Others	-	-	-	3	13,329	30.84%
	-	-	-	104	43,221	100.00%

NAFA Islamic Capital Preservation Plan - IV

Individuals	-	-	-	47	18,007	73.02%
Others	-	-	-	2	6,654	26.98%
	-	-	-	49	24,661	100.00%

Category	2023			2022		
	Number of unit holders	Investment amount	Percentage of total	Number of unit holders	Investment amount	Percentage of total
----- (Rupees in 000) -----						
NBP Islamic Capital Preservation Plan - V						
Individuals	-	-	-	38	18,020	63.28%
Others	-	-	-	1	10,456	36.72%
	-	-	-	39	28,476	100.00%
NBP Islamic Capital Preservation Plan - VI						
Individuals	46	28,689	100%	118	117,992	65.14%
Retirement funds	-	-	-	1	63,148	34.86%
	46	28,689	100.00%	119	181,140	100.00%

24 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

S.No.	Name	Qualification	Experience in years
1	Dr. Amjad Waheed	Doctorate in Business Administration, MBA & CFA	35
2	Mr. Asim Wahab Khan	CFA	17
3	Mr. Salman Ahmed	CFA	18
4	Mr. Hassan Raza	ACCA, BSC and CFA	12
5	Mr. Usama Bin Razi	BE, MBA	19

24.1 The name of the Fund Manager is Asim Wahab Khan. Other funds being managed by the Fund Manager are as follows:

- NBP Islamic Sarmaya Izafa Fund
- NBP Islamic Stock Fund
- NBP Islamic Energy Fund
- NAFA Islamic Pension Fund
- NBP Sarmaya Izafa Fund
- NBP Balanced Fund
- NBP Stock Fund
- NBP Financial Sector Fund
- NBP Pakistan Growth Exchange Traded Fund
- NAFA Pension Fund

25 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 86th, 87th, 88th, 89th, 90th and 91st Board Meetings were held on July 06, 2022, September 27, 2022, October 29, 2022, February 21, 2023, April 29, 2023 and June 01, 2023, respectively. Information in respect of attendance by directors in the meetings is given below:

Name of the Director	Number of meetings			Meetings not attended
	Held / applicable	Attended	Leave Granted	
Shaikh Muhammad Abdul Wahid Sethi	6	6	-	-
Tauqeer Mazhar	6	5	1	91st Meeting
Mehnaz Salar	6	6	-	-
Ali Saigol	6	6	-	-
Imran Zaffar	6	5	1	89th Meeting
Khalid Mansoor	6	6	-	-
Saad Amanullah Khan	6	6	-	-
Humayun Bashir (Note 25.1)	2	2	-	-
Ruhail Muhammad (Note 25.2)	3	3	-	-
Amjad Waheed	6	6	-	-

25.1 Mr. Humayun Bashir retired from the Board with effect from October 04, 2022

25.2 Mr. Ruhail Muhammad opted as Director on the Board with effect from October 04, 2022

26 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on **September 15, 2023**.

27 GENERAL

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

PERFORMANCE TABLE

Particulars	NCPPI	NCPPII	NCPPIV	NCPPIV	NCPPIV	NCPPIII	NCPPIV	NCPPIV	NCPPIII	NCPPIV	NCPPIV	NCPPIII	NCPPIV	NCPPIV	
	For the Year Ended June 30, 2023	For the Period Ended June 30, 2022	For the Period Ended June 30, 2022	For the Period Ended June 30, 2022	For the Period Ended June 30, 2022	For the Period Ended June 30, 2021	For the Period Ended June 30, 2021	For the Period Ended June 30, 2021	For the Period Ended June 30, 2020	For the Period Ended June 30, 2020	For the Period Ended June 30, 2020	For the Period Ended June 30, 2019	For the period from September 14, 2018 to June 30, 2019	For the period from December 17, 2018 to June 30, 2019	For the period from June 22, 2018 to June 30, 2018
Net assets at the year / period ended (Rs '000)	28,689	43,721	24,661	28,476	181,140	78,322	47,499	53,952	151,302	145,947	30,234	32,195	282,020	153,292	954,610
Net income/(loss) for the year / period ended (Rs '000)	13,875	918	925	1,379	236	8,112	3,788	3,051	10,008	6,202	4,864	4,853	12,455	2,812	792
Net Asset Value per unit at the year / period ended (Rs)	100.4623	100.6506	99.2145	98.5979	100.0020	101.0940	99.1553	98.5671	99.0600	98.9102	98.2859	100.0193	98.7282	98.1965	100.0892
Offer Price per unit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	99.9983	98.7056	100.0892
Redemption Price per unit	100.4623	100.6506	99.2145	98.5979	100.0020	101.0940	99.1553	98.5671	99.0600	98.9102	98.2859	100.0193	98.7282	98.1965	100.0892
Ex - Highest offer price per unit (Rs.)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	103.4935
Ex - Lowest offer price per unit (Rs.)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	103.4162
Ex - Highest redemption price per unit (Rs.)	100.4623	106.9494	100.9862	99.8489	100.0020	101.9886	99.4553	98.6248	107.7645	108.4784	109.7592	102.1482	102.4732	103.2478	100.0892
Ex - Lowest redemption price per unit (Rs.)	89.6874	98.3586	97.4055	96.1100	99.8903	94.1901	94.6093	94.2989	93.3898	92.6020	92.5477	97.6754	97.6165	97.2189	100.0253
Opening NAV of Fiscal Year/Since inception NAV	89.6874	101.094	97.2335	95.9910	100.0000	94.0562	94.5969	94.2479	94.8005	95.3514	95.3250	98.9065	100.0000	100.0000	100.0000
Total return of the fund	12.04%	-0.43%	2.04%	2.73%	0.11%	7.47%	3.79%	3.62%	4.49%	3.73%	3.11%	0.02%	-1.27%	-1.80%	0.10%
Capital growth	0.51%	-0.43%	0.06%	0.03%	0.00%	2.15%	-0.78%	-0.67%	0.14%	0.19%	0.09%	-1.09%	-1.27%	-1.80%	0.00%
Income distribution as a % of ex nav	11.53%	-	1.98%	2.69%	0.11%	5.32%	4.57%	4.28%	4.95%	3.54%	3.01%	1.11%	0.00%	0.00%	0.10%
Income distribution as a % of par value	11.53%	-	1.96%	2.65%	0.11%	5.37%	4.53%	4.22%	4.91%	3.50%	2.96%	1.08%	0.00%	0.00%	0.10%
Distribution															
Interim distribution per unit	11.5318	-	1.9574	2.6328	0.1088	5.3681	4.5284	4.2189	4.9056	3.4980	2.9603				
Final distribution per unit	-	-	-	-	-	-	-	-	-	-	-	1.0647	-	-	0.0650
Distribution Dates															
Interim	26-Jun-23	-	30-Jun-22	30-Jun-22	30-Jun-22	30-Jun-21	30-Jun-21	30-Jun-21	29-Jun-20	29-Jun-20	29-Jun-20	29-Jun-20	19-Jul-19	-	4-Jul-18
Final	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Average annual return of the fund (launch date June 22, 2018)															
(Since inception to June 30, 2023)	12.10%														
(Since inception to June 30, 2022)		2.84%													
(Since inception to June 30, 2021)			2.43%												
(Since inception to June 30, 2020)				2.41%		0.11%		3.95%	2.57%	2.28%					
(Since inception to June 30, 2019)									2.25%	1.34%	0.81%				
(Since inception to June 30, 2018)												0.113%	-1.274%	-1.80%	0.10%

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

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