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NBP Fullerton
Asset Management Ltd.
A Subsidiary of
National Bank of Pakistan

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

QUARTERLY
REPORT September 30
2017




Your investments & "NAFA" grow together



**FULLERTON FUND
MANAGEMENT**

Joint - Venture Partners

MISSION
STATEMENT



To rank in the top quartile
in performance of
NAFA FUNDS
relative to the competition,
and to consistently offer
Superior risk-adjusted returns to investors.

Contents

FUND'S INFORMATION	03
DIRECTORS' REPORT	05
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	09
CONDENSED INTERIM INCOME STATEMENT	10
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	11
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	12
CONDENSED INTERIM CASH FLOW STATEMENT	13
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS	14

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

FUND'S INFORMATION

Management Company

NBP Fullerton Asset Management Limited – Management Company

Board of Directors of the Management Company

Mr. Mudassir Husain Khan	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Tariq Jamali	Director
Mr. Abdul Hadi Palekar	Director
Mr. Kamal Amir Chinoy	Director
Mr. Shehryar Faruque	Director
Dr. Foo Chiah Shiung (Kelvin Foo)	Director
Mr. Lui Mang Yin (Martin Lui)	Director
Mr. Humayun Bashir	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Shehryar Faruque	Chairman
Mr. Tariq Jamali	Member
Dr. Foo Chiah Shiung (Kelvin Foo)	Member

Human Resource and Remuneration Committee

Mr. Kamal Amir Chinoy	Chairman
Mr. Abdul Hadi Palekar	Member
Mr. Lui Mang Yin (Martin Lui)	Member

Trustee

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

Bankers to the Fund

Bank Islami Pakistan Limited
Habib Bank Limited
United Bank Limited
Dubai Islamic Bank Limited
Silk Bank Limited
Al Baraka Bank (Pakistan) Limited
Habib Metropolitan Bank Limited
Allied Bank Limited
Soneri Bank Limited

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

Auditors

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

Legal Advisor

M/s Jooma Law Associates
205, E.I. Lines, Dr. Daudpota Road,
Karachi.

Head Office:

7th Floor Clifton Diamond Building, Block No. 4,
Scheme No. 5, Clifton Karachi.
UAN: 111-111NFA (111-111-632),
(Toll Free): 0800-20001,
Fax: (021) 35825329
Website: www.nafafunds.com

Lahore Office:

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

Islamabad Office:

Plot No. 395, 396
Industrial Area, I-9/3 Islamabad.
UAN: 051-111-111-632
Phone: 051-2514987
Fax: 051-4859031

Peshawar Office:

1st Floor, Haji Tehmas Centre,
Near KFC, Tehkal Payan
University Road, Peshawar.
Phone: 92-91-5711784, 5711782
Fax: 92-91-5211780

Multan Office:

NBP City Branch, Hussain-a-Gahi, Multan.
Phone No: 061-4502204
Fax No: 061-4502203

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the unaudited financial statements of **NAFA Active Allocation Riba Free Savings Fund (NAARFSF)** for the quarter ended September 30, 2017.

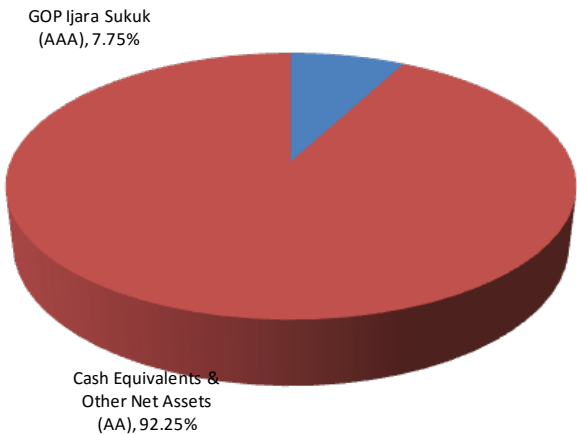
Fund's Performance

The size of NAFA Active Allocation Riba Free Savings Fund has increased from Rs. 995 million to Rs. 1,290 million during the quarter, i.e. a considerable increase of 30%. During the period under review, the unit price of the Fund has increased from Rs. 10.0154 on June 30, 2017 to Rs. 10.1068 on September 30, 2017; thus posting a return of 3.7% as compared to its Benchmark return of 2.3%. The performance of the Fund is net of management fee and all other expenses.

NAARFSF is an Islamic Income Scheme with no direct or indirect exposure to stock market. The Fund aims to consistently provide better returns than profit rates offered by Islamic Banks/Islamic windows of commercial banks, while also providing easy liquidity along with a good quality the fund is allowed to invest in Shariah complaint Government security of maturity up to 3 years as well as Shariah complaint money market and debt security of up to 2 years maturity rated AA- or better.

During the period, State Bank of Pakistan (SBP) maintained the policy rate at 5.75%. SBP cited that macroeconomic environment remains conducive to growth without impacting headline inflation. Average CPI inflation eased to 3.4% in Jul-Sep FY18 compared to 3.9% during the same period last year. Given potential risks to inflation and interest rates from deteriorating Balance of Payment (BoP) position, investors' preference tilted towards short-term government securities as indicated by heavy participation in 03 month T-bills. During the quarter, T-bill yields remained almost unchanged however, PIB yields increased by 45 bps, 56 bps and 13 bps for the 3 year, 5 year and 10 year tenors, respectively. With pickup in private sector investment activity we have seen increased issuance of corporate debt securities. Trading activity in corporate TFCs/Sukuku increased slightly with a cumulative trade value of around Rs. 2.5 billion as compared to Rs. 1.5 billion during 1QFY17 with Banking sector making up the lion's share.

The Fund has earned total income of Rs.16.18 million during the period. After deducting expenses of Rs.5.67 million, the net income is Rs.10.51 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NAARFSF.



NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

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 Fullerton Asset Management Limited

Chief Executive

Director

Date: October 27, 2017
Place: Karachi.

ڈائریکٹرز رپورٹ

این بی پی فلٹرن ایسٹٹ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NAFA ایکٹو ایلوکیشن ریفارفری سیونگز فنڈ (NAARFSF) کے غیر آڈٹ شدہ مالیاتی گوشوارے برائے اختتامہ سہ ماہی 30 ستمبر 2017 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

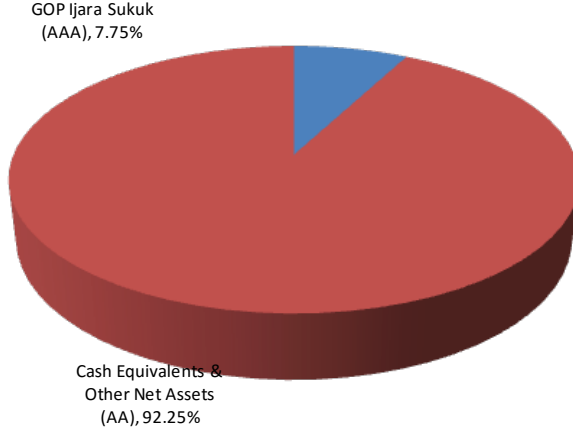
فنڈ کی کارکردگی

اس سہ ماہی کے دوران، NAFA ایکٹو ایلوکیشن ریفارفری سیونگز فنڈ کا حجم 995 ملین روپے سے بڑھ کر 1,290 ملین روپے ہو گیا، جو کہ تقریباً 30 فیصد کا قابل ذکر اضافہ ہے۔ اس مدت کے دوران پونٹ کی قیمت جو 30 جون 2017 کا 10.0154 روپے تھی 30 ستمبر 2017 کو بڑھ کر 10.1068 روپے ہو گئی، لہذا منافع 3.7 فیصد ہو گیا جبکہ شیئرمارک منافع 2.3 فیصد تھا۔ فنڈ کی یہ کارکردگی انتظامیہ کے معاوضہ اور دیگر تمام اخراجات نکالنے کے بعد ہے۔

NAARFSF ایک اسلامی آمدنی اسکیم ہے جس کا بالواسطہ یا بلاواسطہ بازار حصص سے کوئی تعلق نہیں ہے۔ فنڈ کا عزم ہے اسلامی بینکوں/تجارتی بینکوں کی اسلامی وڈوں کی بہ نسبت تسلسل کے ساتھ زیادہ منافع پیش کرے جبکہ آسان روانی فراہم کرنے کے ساتھ ساتھ اعلیٰ معیار کی سرمایہ کاری شریعت کے مطابق حکومتی تمسکات جو 3 سالہ پروا جب الادا ہو جائیں اور شریعت کی پاسداری کرنے والے بازار زر اور قرضی تمسکات جو 2 سال پروا جب الادا ہو جائیں جن کی کم از کم درجہ بندی AA یا اس سے اوپر ہو۔

اس مدت کے دوران، اسٹیٹ بینک آف پاکستان نے اپنے پالیسی نرخ 5.75% پر برقرار رکھے۔ SBP نے بڑے معاشی معاملات کو ترقی کے لئے موزوں قرار دیا اس بات کی پرواہ کئے بغیر کہ افراط زر کے کیا اثرات مرتب ہو گئے۔ جولائی سے ستمبر مالی سال 2018 کے دوران درمیانی CPI افراط زر میں قدرے کمی آئی جو کہ 3.4 فیصد رہی جو پچھلے سال اسی مدت کے دوران 3.9 فیصد تھی۔ توازن ادائیگی کی بگڑتی ہوئی صورتحال کے پیش نظر افراط زر اور سودی نرخوں میں متوقع اضافے کی وجہ سے 3 ماہ کی مدت کی قلیل المیعاد حکومتی تمسکات کی طرف سرمایہ داروں کا رجحان رہا جس کی نشاندہی سہ ماہی T-Bills میں بھاری سرمایہ کاری سے ہوتی ہے۔ اس سہ ماہی کے دوران T-Bills پر منافع تقریباً غیر متزلزل رہا تاہم PIB کی تین سالہ، پانچ سالہ اور 10 سالہ مدتی اسکیموں کے منافع میں بالترتیب 45 پی پی ایس، 56 پی پی ایس اور 13 پی پی ایس اضافہ ہوا۔ پرائیویٹ سیکٹر میں سرمایہ کاری کی سرگرمیوں میں اضافہ کی وجہ سے کارپوریٹ قرضہ کی تمسکات میں اضافہ دیکھنے میں آیا۔ ٹریڈنگ کی سرگرمیوں کی وجہ سے کارپوریٹ TFCs/سکوک میں معمولی اضافہ ہوا جس کے باعث 2.5 ملین روپے مالیت کے مجموعی سودے ہوئے جبکہ مالی سال 2017 کی پہلی سہ ماہی میں 1.5 ملین تھے۔ مذکورہ بالا سہ ماہی میں بینکنگ سیکٹر کا ایک بہت بڑا حصہ ہے۔

فنڈ کو اس مدت کے دوران 16.18 ملین روپے کی کل آمدنی ہوئی۔ 5.67 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 10.51 ملین روپے ہو گئی۔ مندرجہ ذیل چارٹ اثاثوں کی تخصیص اور NAARFSF کے ہر ذیلی اثاثے کی اوزانی اوسط درجہ بندی کو ظاہر کرتا ہے۔



اعتراف

اس موقع پر بورڈ اپنے تمام یونٹ ہولڈرز کا شکریہ ادا کرتا ہے جنہوں نے انتظامی کمپنی پر اپنے بھروسے اور اعتماد کا اظہار کیا اور ہمیں اپنی خدمت کا موقع دیا۔ بورڈ اپنی مخلصانہ سٹائنس سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک کو ان کی سرپرستی اور رہنمائی پر پیش کرتا ہے۔

بورڈ بخوشی اس بات کا اعتراف کرتا ہے کہ ملازمین اور ٹرسٹیز نے انتھک محنت، جدوجہد اور لگن سے کام کیا۔

از طرف بورڈ

این بی پی فلرٹن ایسیٹ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

بتاریخ: اکتوبر 27، 2017

بمقام کراچی

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2017

	Note	(Un-audited) September 30, 2017	Audited June 30, 2017
------(Rupees in 000)-----			
ASSETS			
Balances with banks		1,187,316	852,862
Investments	4	99,990	100,670
Profit receivable	5	8,027	6,403
Prepayments and other receivables		981	1,027
Preliminary expenses and floatation costs		660	710
		1,296,974	961,672
LIABILITIES			
Payable to NBP Fullerton Asset Management Limited - Management Company		4,267	3,614
Payable to Central Depository Company of Pakistan Limited - Trustee		196	170
Payable to Securities and Exchange Commission of Pakistan		218	623
Accrued expenses and other liabilities	6	2,374	1,803
Total liabilities		7,055	6,210
NET ASSETS		<u>1,289,919</u>	<u>955,462</u>
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		<u>1,289,919</u>	<u>955,462</u>
CONTINGENCIES AND COMMITMENTS	7	-----Number of units-----	
Number of units in issue		<u>127,629,161</u>	<u>95,399,191</u>
		------(Rupees)-----	
NET ASSET VALUE PER UNIT		<u>10.1068</u>	<u>10.0154</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	Note	Quarter ended September 30, 2017	Quarter ended September 30, 2016
----- (Rupees in 000) -----			
INCOME			
Profit on bank deposits		15,538	10,264
Income on GoP Ijarah Sukuk		1,321	-
Unrealised (loss) on re-measurement of investments at fair value through profit or loss - held for trading	4.1	(680)	-
Total income		16,179	10,264
EXPENSES			
Remuneration of NBP Fullerton Asset Management Limited Management Company		3,631	2,311
Sindh sales tax on remuneration of the Management Company		472	300
Remuneration to Central Depository Company of Pakistan Limited- Trustee		457	314
Sindh Sales Tax on remuneration of the Trustee		59	41
Annual fee - Securities and Exchange Commission of Pakistan		218	139
Settlement and Bank charges		18	9
Fund rating Fee		48	46
Legal & Professional charges		14	-
Auditors' remuneration		94	38
Accounting and operational charges		290	185
Shariah Advisor Fee		109	92
Amortization of Formation Cost		50	50
Total Expenses		5,460	3,525
Net Income from operating activities		10,719	6,739
Element of (loss) and capital(losses) included in prices of units issued less those in units redeemed - net			(225)
Provision for Sindh Workers' Welfare Fund	6.1	(214)	
Net Income for the period before taxation		10,505	6,514
Taxation	8	-	-
Net Income for the period after taxation		10,505	6,514
Earnings per unit	9		
Allocation of Net income for the period:			
Income already paid on units redeemed		(1,326)	-
Accounting income available for distribution:			
- Relating to Capital Gains		(594)	-
- Excluding Capital Gains		9,773	-
		9,179	6,514

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For NBP Fullerton Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	Quarter ended September 30, 2017	Quarter ended September 30, 2016
	------(Rupees in 000)-----	
Accounting income available for distribution:	9,179	6,514
Other Comprehensive Income	-	-
Total comprehensive Income for the period	<u>9,179</u>	<u>6,514</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	Quarter ended September 30, 2017	Quarter ended September 30, 2016
	------(Rupees in 000)-----	
Net assets at the beginning of the period	955,462	997,307
Issue of 70,108,997 units (2016 :32,124,249 units)	704,676	322,499
Redemption of 37,879,026 units (2016:65,239,515 units)	(380,724)	(654,400)
Element of loss and capital losses included in the prices of units issued less those in units redeemed-Transferred to income statement	323,952	(331,901)
	-	225
Accounting income for the period	9,179	6,514
Income already paid on units redeemed	1,326	-
	10,505	6,514
Final distribution for the year ended June 30, 2017 Nil (June 30, 2016 : 0.23%)	-	(1,499)
- Cash distribution	-	(1,499)
Net Assets at the end of the period	1,289,919	670,646
Net Asset Value per unit as at beginning of the period	10.0154	10.0157
Net Asset Value per unit as at the end of the period	10.1068	10.0911
Distribution during for the period:		
Accumulated income brought forward		
- Realised income	1,522	1,565
- Unrealised income	670	-
	2,192	1,565
Accounting income available for distribution for the period:		
- Relating to Capital Gains	(594)	
- Excluding Capital Gains	9,773	
	9,179	6,514
Final distribution for the year ended June 30, 2017 Nil (June 30, 2016 : 0.23%)	-	(1,499)
- Cash Distribution	-	(1,499)
Undistributed income carried forward	11,371	6,580
Undistributed income carried forward comprises of :		
- Realised income	12,051	6,580
- Unrealised income	(680)	-
	11,371	6,580

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

**For NBP Fullerton Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	Quarter ended September 30, 2017	Quarter ended September 30, 2016
	----- (Rupees in 000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Net Income for the period before taxation	10,505	6,514
Adjustments		
Amortization of Formation Cost	50	50
Net unrealised Diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	680	
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	-	225
	<u>11,235</u>	<u>6,789</u>
(Increase) / decrease in assets		
Profit receivable	(1,624)	(2,357)
Prepayments and other receivables	46	
Receivable against sale of units	-	660,000
	<u>(1,578)</u>	<u>657,643</u>
Increase / (decrease) in liabilities		
Payable to NBP Fullerton Asset Management Limited - Management Company	653	449
Payable to Central Depository Company of Pakistan Limited - Trustee	26	37
Payable to Securities and Exchange Commission of Pakistan	(405)	(91)
Accrued expenses and other liabilities	571	191
	<u>845</u>	<u>586</u>
Net cash generated from operating activities	<u>10,502</u>	<u>665,018</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Net receipts from issue of units	704,676	322,499
Net payments on redemption of units	(380,724)	(654,400)
Distributions Paid	-	(1,499)
Net cash generated from / (used in) financing activities	<u>323,952</u>	<u>(333,400)</u>
Net increase in cash and cash equivalents during the period	<u>334,454</u>	<u>331,618</u>
Cash and cash equivalents at the beginning of the period	852,862	336,226
Cash and cash equivalents at the end of the period	<u><u>1,187,316</u></u>	<u><u>667,844</u></u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-Audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Active Allocation Riba Free Savings Fund (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on November 03, 2015 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 03, 2015. under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an Open-End "Shariah Compliant Income Scheme" as per the criteria laid down by the SECP for categorisation of Collective Investment Schemes (CIS).

The objective of the Fund is to earn a reasonable rate of return along with a high degree of liquidity by investing in short-term Shari'ah compliant banks deposits and money market / debt securities.

The Pakistan Credit Rating Agency (PACRA) has assigned an Asset Manager Rating of AM1 to the Management Company as at April 21, 2017. The Fund has been rated A-(f) with stable outlook as at July 12, 2017.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, 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 directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

The directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view as 30 September 2017.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the condensed financial statements for the quarter ended September 30, 2017 are same as those applied in the preparation of annual audited financial statements for the year ended June 30, 2017 except for element of income. Pursuant to SRO 756(I)/2017, management has changed its accounting policy whereby element of income / loss and capital gains / losses in prices of units issued less those in units redeemed' during the year, previously transferred to the 'income statement' has now been taken to unit holders' fund. The above change has been applied from July 01, 2017 as clarified by MUFAP, therefore the comparative information have not been restated.

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

4 INVESTMENTS

Financial assets 'at fair value through profit or loss- held for Trading'
Government Securities - GoP Ijarah Sukuk

(Un-Audited) September 30, 2017	(Audited) June 30, 2017
(Rupees in '000)	
99,990	100,670

4.1 Government Securities - GoP Ijarah Sukuk

Issue date	Coupon rate / tenor	Number of certificates				Market value as at September 30, 2017	Investment as a percentage of		
		As at July 1, 2017	Purchased during the period	Matured during the period	As at September 30, 2017		Net assets	Market value of total investment	
						(Rupees in '000)%		
June 30, 2017	5.24 June 30, 2020	20,000	-		20,000	99,990	7.75	100	
Carrying value as at September 30, 2017								100,670	
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net as at September 30, 2017									(680)

5 PROFIT RECEIVABLE

Profit accrued on profit and loss savings accounts
Income receivable on GoP Ijarah Sukuk

Note	(Un-Audited) September 30, 2017	(Audited) June 30, 2017
(Rupees in '000)		
	6,692	6,389
	1,335	14
	8,027	6,403

6 ACCRUED EXPENSES AND OTHER LIABILITIES

Provision for Sindh Workers Welfare Fund
Auditors' remuneration
Shariah advisory fee
Annual rating fee
Legal fee
Withholding tax payable
Bank charges

6.1	1,134	920
	322	227
	531	423
	171	171
	26	13
	163	35
	27	14
	2,374	1,803

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

In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP on January 12, 2017 recommended all its members that as a matter of abundant caution the provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in the financial statements of the Fund, the net asset value of the Fund as at September 30, 2017 would have been higher by Re 0.0089 per unit.

7 CONTINGENCIES AND COMMITMENTS

There were no contingencies outstanding as at September 30, 2017 and June 30, 2017.

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

8 TAXATION

The income of the Fund is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. The management intends to distribute 90 percent of the Fund's net accounting income earned by the year end as cash dividend to the unit holders. Accordingly, no provision in respect of taxation has been made in this condensed interim financial information.

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.

9 EARNINGS PER UNIT

Earnings 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.

10 Total Expense Ratio

Total Expense Ratio (all the expenses incurred during the period divided by Average net assets value for the period) is 1.95% per annum including 0.33 % representing government levies on collective investment scheme such as sales tax, Sindh Worker's Welfare Fund and SECP fee for the period.

11 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

11.1 Related parties / connected persons include NBP Fullerton Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and Alexandra Fund Management Pte. Limited being the sponsors, other collective investment schemes managed by the Management Company, entities having common directorship with the Management Company, retirement funds of group companies, directors and key management personnel of the Management Company and any person or company which beneficially owns directly or indirectly 10% or more of the units in issue / net assets of the Fund.

11.2 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

11.3 Remuneration and front-end load payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

11.4 Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC regulations and the Trust Deed.

11.5 Details of the transactions with connected persons are as follows:

	Un-audited Quarter Ended September 30, 2017	Un-audited Quarter Ended September 30, 2016
	(Rupees in '000)	
NBP Fullerton Asset Management Limited - Management Company		
Remuneration of the Management Company	3,631	2,311
Sindh sales tax on remuneration of the Management Company	472	300
Accounting and operational charges	290	185
NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN I)		
Units issued during the period 10,794,169 units (29,344 units)	108,558	296
Units redeemed during the period 18,33,917 units (4,192,998 units)	18,500	42,000
Cash Dividend	-	296
NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN II)		
Units issued during the period 11,737,547 units (28,913 units)	118,026	292
Units redeemed during the period 1,787,612 units (3,494,165)	18,000	35,000
Cash Dividend	-	292
NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN III)		
Units issued during the period 15,827,741 units (32,065,991 units)	159,115	321,911
Units redeemed during the period 7,301,549 units (57,552,353 units)	73,300	577,400
Cash Dividend	-	911

NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

	Un-audited Quarter Ended September 30, 2017 (Rupees in '000)	Un-audited Quarter Ended September 30, 2016
NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN IV)		
Units issued during the period 10,900,011 units	109,629	-
Units redeemed during the period 1,714,660 units	17,274	-
NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN V)		
Units issued during the period 7,033,095 units	70,709	-
Units redeemed during the period 4,693,372 units	47,309	-
NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN VI)		
Units issued during the period 993,295 units	10,000	-
Units redeemed during the period 16,775,823 units	168,502	-
NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN VII)		
Units issued during the period 12,823,138 units	128,639	-
Units redeemed during the period 3,772,093 units	37,839	-
Remuneration to Central Depository Company of Pakistan Limited- Trustee	457	314
Sindh Sales Tax on remuneration of the Trustee	59	41

Un-audited as at
September 30,
2017
(Rupees in '000)

Audited
as at June 30,
2017

11.6 Amounts outstanding as at period end

NBP Fullerton Asset Management Limited - Management Company

Management remuneration payable	1,336	1,016
Sindh sales tax on remuneration	174	132
Federal excise duty on remuneration	612	612
Preliminary expenses and floatation cost payable	1,000	1,000
Allocation of operational expenses payable	1,122	831
Other payable	23	23

NAFA Islamic Active Allocation Fund (Plan I)

Units held 16,589,085 units (June 30,2017 :7,628,832 units)	167,663	76,406
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NAFA Islamic Active Allocation Fund (Plan II)

Units held 15,573,263 units (June 30,2017:5,623,329 units)	157,396	56,320
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NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN III)

Units Held 20,928,726 units (June 30,2017:5,623,329 units)	211,522	124,216
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NAFA Islamic Active Allocation Fund- I (Plan IV)

Units Held 16,185,939 units (June 30,2017: 7,000,588 units)	163,588	70,114
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NAFA Islamic Active Allocation Fund- I (Plan V)

Units Held 31,814,089 units (June 30,2017 : 29,474,366 units)	321,539	295,198
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NAFA Islamic Active Allocation Fund- II (Plan VI)

Units Held 17,487,014 units (June 30,2017 : 33,269,542 units)	176,738	333,208
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NAFA Islamic Active Allocation Fund- II (Plan VII)

Units Held 9,051,045 units	91,477	-
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NAFA ACTIVE ALLOCATION RIBA FREE SAVINGS FUND

Un-audited as at
September 30,
2017

Audited
as at June 30,
2017

(Rupees in '000)

Central Depository Company of Pakistan Limited - Trustee

Remuneration payable

174

150

Sindh sales tax on remuneration of Trustee

22

20

BankIslami Pakistan Limited

Balance with bank

505,319

6,047

Profit receivable

2,678

533

12 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 27, 2017

13 GENERAL

13.1 Figures have been rounded off to the nearest thousand rupees.

**For NBP Fullerton Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director



NBP Fullerton
Asset Management Ltd.
A Subsidiary of
National Bank of Pakistan

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