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

NAFA SAVINGS PLUS 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.

NAFA SAVINGS PLUS FUND

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NAFA SAVINGS PLUS 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

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Samba Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
JS Bank Limited
United Bank Limited
The Bank of Punjab
Summit Bank Limited
Soneri Bank Limited
National Bank of Pakistan
Habib Bank Limited
Sindh Bank Limited
Al-Baraka Islamic Bank Limited
Khushhali Bank Limited
Meezan Bank Limited
Dubai Islamic Bank Pakistan Limited
BankIslami Pakistan Limited
Zarai Taraqiati Bank Limited

NAFA SAVINGS PLUS FUND

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No.02
Beaumont Road,
Karachi - 75530, Pakistan.

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:

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

Multan Office:

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

NAFA SAVINGS PLUS FUND

DIRECTORS' REPORT

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

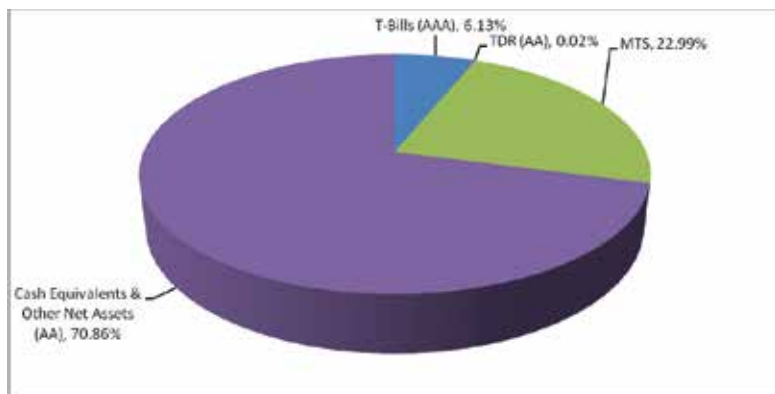
Fund's Performance

The size of NAFA Savings Plus Fund has increased from Rs. 441 million to Rs. 446 million during the quarter, i.e. a mere growth of 1%. During the period under review, the unit price of the Fund has increased from Rs. 10.1415 on June 30, 2017 to Rs. 10.2746 on September 30, 2017; thus posting a return of 5.3% as compared to its Benchmark return of 6.2%. The performance of the Fund is net of management fee and all other expenses.

The Fund is rated 'AA- (f)' by PACRA, which denotes a very strong capacity to maintain relative stability in returns and very low exposure to risks. The Fund is allowed to invest in MTS. However, NAFA's internal guidelines permit financing in only fundamentally strong companies. It is pertinent to mention that in this asset class the Fund provides financing at only pre-determined rate of return with no direct exposure to the stock market.

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/Sukuks 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.7.79 million during the period. After deducting expenses of Rs.1.92 million, the net income is Rs.5.87 million. The below chart presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NSPF.



NAFA SAVINGS PLUS 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.

NAFA SAVINGS PLUS FUND

ڈائریکٹر رپورٹ

این بی پی فلٹرٹن ایسٹٹ میجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NAFA سیونگز پلس فنڈ (NSPF) کے غیر آڈٹ شدہ مالیاتی گوشوارے برائے مختتمہ سہ ماہی 30 ستمبر 2017 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

فنڈ کی کارکردگی

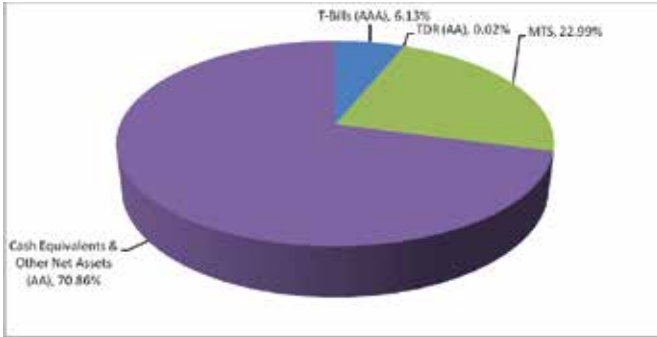
اس سہ ماہی کے دوران، NAFA سیونگز پلس فنڈ (NSPF) کا حجم 441 روپے سے بڑھ کر 446 ملین روپے ہو گیا جو کہ محض 1 فیصد نمو کو ظاہر کرتا ہے۔ جائزہ مدت کے دوران، فنڈ کے یونٹ کی قیمت 30 جون 2017 کو 10.145 روپے سے بڑھ کر 30 ستمبر 2017 کو 10.2746 روپے ہوئی، لہذا 6.2 فیصد شیئر مارک منافع کے مقابلے میں 5.3 منافع رہا۔ فنڈ کی یہ کارکردگی انتظامیہ کے معاوضہ اور دیگر تمام اخراجات نکالنے کے بعد ہے۔

PACRA نے فنڈ کو "AA (f)" کی درجہ بندی سے نوازا ہے جس سے واضح طور پر پتا چلتا ہے کہ منافع میں اضافی استحکام کو برقرار رکھنے کی بہت مضبوط گنجائش ہے اور اس میں خطرات بہت کم ہیں۔ فنڈ کو MTS میں سرمایہ کاری کی اجازت ہے۔ تاہم، نفع کی داخلی شرائط اس بات کی اجازت دیتے ہیں کہ بنیادی طور پر مستحکم کمپنیوں میں سرمایہ کاری کی جائے۔ اس بات کا تذکرہ بھی ضروری ہے کہ اثاثی درجہ کا یہ فنڈ پہلے سے طے شدہ منافع کے نرخوں پر سرمایہ کاری کرتا ہے جس کا بلا واسطہ بازار حصص سے کوئی تعلق نہیں ہے۔

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 ہونگے۔ جولائی سے ستمبر مالی سال 2018 کے دوران درمیانی CPI افراط زر میں قدرے کمی آئی جو کہ 3.4 فیصد رہی جو کہ 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 بی پی ایس، 56 بی پی ایس اور 13 بی 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 / سیکورٹس 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 7.79 ملین کی آمدنی ہوئی۔ 1.92 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 5.87 ملین روپے ہوئی۔ مندرجہ ذیل چارٹ NSPF کے اثاثوں کی تفصیص اور ذیلی اثاثوں کی اوسط اوزانہ کرپڈ درجہ بندی کو ظاہر کرتا ہے۔

NAFA SAVINGS PLUS FUND



اعتراف

اس موقع پر بورڈ اپنے تمام یونٹ ہولڈرز کا شکریہ ادا کرتے ہیں جنہوں نے انتظامی کمپنی پر اپنے بھروسے اور اعتماد کا اظہار کیا اور ہمیں اپنی خدمت کا موقع دیا۔ بورڈ اپنی مخلصانہ ستائش 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 SAVINGS PLUS 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		260,793	299,998
Investments	4	108,782	64,692
Receivable against Margin Trading System		92,961	92,990
Profit receivable	5	1,058	1,277
Deposits, prepayments and other receivables		471	550
Total assets		464,065	459,507
LIABILITIES			
Payable to the Management Company		1,100	1,018
Payable to Central Depository Company of Pakistan Limited - Trustee		80	67
Payable to Securities and Exchange Commission of Pakistan		85	347
Payable against redemption of units		800	1
Dividend Payable		-	2
Accrued expenses and other liabilities	6	16,439	16,822
Total liabilities		18,504	18,257
NET ASSETS		445,561	441,250
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		445,561	441,250
CONTINGENCIES AND COMMITMENTS	7		
-----Number of units-----			
Number of units in issue		43,365,332	43,509,309
------(Rupees)-----			
NET ASSET VALUE PER UNIT		10.2746	10.1415

The annexed notes 1 to 14 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 SAVINGS PLUS FUND

CONDENSED INTERIM INCOME STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (Un-Audited)

	Note	Quarter Ended September 30' 2017 (Rupees in '000)	Quarter Ended September 30, 2016 (Rupees in '000)
INCOME			
Income from government securities		409	618
Income from term deposit receipts		1,614	871
Profit on bank deposits		4,000	4,962
Income from Margin Trading System		1,767	2,806
Capital gain on sale of investments - net		-	1
Net unrealised (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' -net		(3)	(6)
Total income		<u>7,787</u>	<u>9,252</u>
EXPENSES			
Remuneration of the Management Company		675	810
Sindh sales tax on Management Fee		88	105
Accounting and operational charges to the Management Company		114	130
Remuneration of the Trustee		193	222
Sindh sales tax on Trustee Fee		25	29
Annual fee - Securities and Exchange Commission of Pakistan		85	97
Settlement and bank charges		309	452
Annual listing fee		7	7
Legal & professional charges		14	5
Auditors' remuneration		172	113
Fund rating Fee		99	23
Other charges		19	25
NCCPL Fee		-	46
Total Expenses		<u>1,800</u>	<u>2,064</u>
Net Income from operating activities		<u>5,987</u>	<u>7,188</u>
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed -net		-	(458)
Provision for Sindh Workers' Welfare Fund	8	(120)	-
Net Income for the period before taxation		<u>5,867</u>	<u>6,730</u>
Taxation	9	-	-
Net income for the period after taxation		<u>5,867</u>	<u>6,730</u>
Earnings per unit	10		
Allocation of Net income for the period:			
Income already paid on units redeemed		(640)	-
Accounting income available for distribution:			
- Relating to Capital Gains		(3)	-
- Excluding Capital Gains		5,230	-
Accounting Income available for Distribution		<u>5,227</u>	<u>6,730</u>

The annexed notes 1 to 14 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 SAVINGS PLUS FUND

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

	Quarter Ended September 30' 2017	Quarter Ended September 30, 2016
	(Rupees in '000)	
Accounting income available for distribution	5,227	6,730
Other Comprehensive Income	-	-
Total comprehensive income for the period	<u>5,227</u>	<u>6,730</u>

The annexed notes 1 to 14 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 SAVINGS PLUS FUND

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

Note	Quarter Ended September 30' 2017	Quarter Ended September 30, 2016
	(Rupees in '000)	
Net assets at the beginning of the period	441,250	522,797
Issue of 14,182,573 units (2016: 7 718,731 units)	144,514	78,659
Redemption of 14,326,550 units (2016: 11,905,187 units)	(146,070) (1,556)	(121,480) (42,821)
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed -net - amount representing (income) transferred to income statement	-	458
Total Comprehensive income	5,227	6,730
Income already paid on the redeemed	640 5,867	- 6,730
Net assets at the end of the period	445,561	487,164
Net Assets value per unit as at beginning of the period	10.1415	10.1194
Net Assets value per unit as at end of the period	10.2746	10.2611
Distribution during for the period:		
Undistributed income brought forward comprises of:		
- Realised Gain	9,182	8,185
- Unrealised Gain	(5)	29
	9,177	8,214
Accounting income available for distribution for the period:		
-Relating to capital gains	(3)	-
-Excluding capital gains	5,230 5,227	- 6,730
Undistributed income carried forward	14,404	14,944
Undistributed income carried forward comprises of:		
- Realised Gain	14,407	14,950
- Unrealised Gain	(3)	(6)
	14,404	14,944

The annexed notes 1 to 14 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 SAVINGS PLUS FUND

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

	Quarter Ended September 30' 2017	Quarter Ended September 30, 2016
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Income for the period before taxation	5,867	6,730
Adjustments		
Unrealised appreciation in the value of investment carried at fair value through profit and loss - net	3	6
Element of (income) / loss and capital (gains)/losses included in prices of units issued less those in units redeemed - net	-	458
	5,870	7,194
(Increase) / decrease in assets		
Investments	(44,093)	9,878
Receivable against Margin Trading System	29	(21,087)
Profit receivable	219	1,674
Deposits, prepayments and other receivables	79	(24)
	(43,766)	(9,559)
Increase / (decrease) in liabilities		
Payable to the Management Company	82	(332)
Payable to Central Depository Company of Pakistan Limited - Trustee	13	67
Payable to the Securities and Exchange Commission of Pakistan	(262)	(344)
Accrued expenses and other liabilities	(383)	(445)
	(550)	(1,054)
Net cash (used in) operating activities	(38,446)	(3,419)
CASH FLOW FROM FINANCING ACTIVITIES		
Net receipts from issue of units	135,677	97,070
Net payments on redemption of units	(136,434)	(119,897)
Distributions made	(2)	(1)
Net cash (used in) financing activities	(759)	(22,828)
Net (decrease) in cash and cash equivalents during the period	(39,205)	(26,247)
Cash and cash equivalents at the beginning of the period	299,998	369,491
Cash and cash equivalents at the end of the period	260,793	343,244

The annexed notes 1 to 14 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 SAVINGS PLUS FUND

NOTES TO AND FORMING PART OF THIS CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Savings Plus Fund (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited (NAFA) 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 October 09, 2009 in accordance with 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 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 Mutual Funds Association of Pakistan (MUFAP).

The Fund is an open-ended mutual fund, categorised as an income scheme by the Management Company and is listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The objective of the Fund is to provide an open-end income scheme, seeking to minimize risk, preserve capital and generate a reasonable return along with a high degree of liquidity from a portfolio primarily constituted of bank deposits and money market instruments.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of "AM1" to the Management Company and a stability rating of AA-(f).

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprises of such International Financial Reporting Standards (IFRS) issued by 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 Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP shall 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 asset management company declare that these condensed interim financial statements give a true and fair view of the Fund

3 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 SAVINGS PLUS FUND

	Note	Un-audited As at September 30, 2017	Audited As at June 30, 2017
(Rupees in '000)			
4 INVESTMENTS			
At fair value through profit or loss - held for trading			
Investment in Government Securities -Market Treasury Bills	4.1	24,782	24,692
Loans and receivables			
Term deposit receipt		84,000	40,000
		<u>108,782</u>	<u>64,692</u>

4.1 Investment in government securities - 'At fair value through profit or loss'

Issue date	Tenor	Face value				Market Value As at September 30, 2017	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2017	Purchased during the period	Disposed / matured during the period	As at September 30, 2017			

-----Rupees in '000-----

Market Treasury Bills

June 22, 2017	3 Months	25,000	-	25,000	-	-	-	-
August 31, 2017	3 Months	-	25,000	-	25,000	24,782	0.06	0.23
						<u>24,782</u>	<u>0.06</u>	<u>0.23</u>

Carrying value before fair value adjustment as at September 30, 2017

24,785

	Un-audited As at September 30, 2017	Audited As at June 30, 2017
(Rupees in '000)		
5 PROFIT RECEIVABLE		

Income accrued on savings deposits	12	188
Income accrued on Margin Trading System	331	434
Income accrued on Term Deposits	715	655
	<u>1,058</u>	<u>1,277</u>

6 ACCRUED EXPENSES AND OTHER LIABILITIES		
Provision for Sindh Workers' Welfare Fund	967	848
Federal Excise Duty on management remuneration	10,620	10,620
Federal Excise Duty on sales load	292	292
Auditors' remuneration	587	415
Brokerage	3	3
Bank charges	72	45
Printing charges	94	75
Withholding tax	3,137	3,214
Capital gains tax	437	1,094
Laga and levy charges	75	86
Legal fee	25	11
Settlement charges	94	104
Others	36	15
	<u>16,439</u>	<u>16,822</u>

7 CONTINGENCIES AND COMMITMENTS

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

NAFA SAVINGS PLUS FUND

8 PROVISION FOR SINDH WORKERS' WELFARE FUND

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 0.0204 per unit.

9 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.

10 EARNINGS PER UNIT

Earning per unit (EPU) for the quarter ended September 30, 2017 has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

11 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses incurred during the period divided by Average net assets value for the period) is 1.69% p.a. including 0.28% representing government levies on collective Investment scheme such as Sales tax, Sindh Worker's Welfare Fund and Securities & Exchange Commission of Pakistan fee for the period.

12 TRANSACTIONS WITH CONNECTED PERSONS

- 12.1 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 and Alexandra Fund Management Pte. Limited being the sponsors, NAFA provident Trust Fund being the employee contribution plan of the Management Company, other collective investment schemes managed by the Management Company and directors and officers of the Management Company.
- 12.2 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 12.3 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.
- 12.4 Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC regulation and the Trust Deed.

NAFA SAVINGS PLUS FUND

	Un-audited Quarter ended September 30, 2017 ------(Rupees in '000)-----	Un-audited Quarter ended September 30, 2016 ------(Rupees in '000)-----
12.5 Details of the transactions with connected persons are as follows:		
NBP Fullerton Asset Management Limited - Management Company		
Management fee expense for the period	675	810
Sindh sales tax on remuneration of the Management Company	88	105
Front end load for the period	10	27
Accounting and operational charges to the Management Company	114	130
Employees of the Management Company		
Units issued / transferred In (397,999 units; September 30, 2016: 210,820 units;)	4,047	2,148
Units redeemed / transferred out (372,797 units; September 30, 2019: 191,067 units)	3,793	1,953
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	193	222
Sindh sales tax on remuneration of trustee	25	29
	Un-audited September 30, 2017	Audited June 30, 2017
12.6 Amounts outstanding as at year end	------(Rupees in '000)-----	
NBP Fullerton Asset Management Limited - Management Company		
Receivable from the Management Company		-
Management remuneration payable	213	231
Sindh Sales Tax payable	19	30
Sales load payable to Management Company	3	6
Sindh Sales Tax payable on Sales load	1	1
Allocation of expenses related to registrar services, accounting, operation and valuation services payable	576	462
Other payable	288	288
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	63	59
Sindh Sales Tax payable	17	8
Security deposit	100	100
National Bank of Pakistan (NBP) - Sponsor		
Balance in current account	8,414	7,164
NBP Endowment Fund Student Loan Scheme		
Units held: 14,473 units (30 June 2017: 14,473 units)	149	147
Employees of the Management Company		
Units held: 115,205 units (30 June 2017: 90,004 units)	1,184	913
Summit Bank Limited		
Bank balances	1,333	1,102
Askari Bank Limited		
Bank balances	1,469	86
BankIslami Pakistan Limited		
Bank balances	673	42
Syed Muhammad Asif Ali (10% holding)		
Units held: 5,758,158 units (30 June 2017: 5,758,158 units)	59,163	58,396

NAFA SAVINGS PLUS FUND

13 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.

14 GENERAL

14.1 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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