

NIT Pension Fund aims to provide participants with a savings vehicle geared for retirement planning and providing decent returns through investments in its various sub-funds.



NIT - PENSION FUND

CORPORATE INFORMATION

FUND NAME

NIT - Pension Fund

NAME OF AUDITORS

EY Ford Rhodes, Chartered Accountants

LIST OF BANKERS

Bank Al Habib Limited
United Bank Limited
Habib Bank Limited
Allied Bank Limited
Bank Al-Falah Limited
Dubai Islamic Bank Limited
Habib Metropolitan Bank Limited
Sindh Bank Limited
JS Bank Limited
Soneri Bank Limited
MCB Islamic Bank Limited
MCB Bank Limited

NIT - PENSION FUND

FUND MANAGER REPORT

2018-2019

NIT Pension Fund (NIT-PF) Objective

NIT Pension Fund aims to provide participants with a savings vehicle geared for retirement planning and providing decent returns through investments in its various sub-funds.

Profile of Investment Manager

National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. The size of total Funds under management by NITL is approximately Rs. 76 billion as of June 30, 2019. The family of Funds of NIT comprises of 10 funds including 4 equity Funds 2 fixed income nature Funds, 1 Islamic Income Fund, 1 Money Market Fund, 1 conventional Pension Fund and 1 Islamic Pension Fund. NIT's tally of nationwide branches is 24, no other Mutual Fund in Pakistan has such a vast network of nationwide branches. Further to cater to the matters relating to investments in NIT and day to day inquiries/issues of its unit holders, a state of the art Investors' Facilitation Centre is also in place. The Board of Directors of NITL consists of representatives of leading financial institutions, prominent industrialists and nominee of Govt. of Pakistan. The Company has been assigned an Asset Manager rating of "AM2++" by PACRA, which reflects the company's very strong capacity to manage the risks inherent in the asset management business and the asset manager meets very high investment management industry standards and benchmarks. All Investment decisions are taken by the Investment Committee of NITL.

Fund Information - NIT-PF

All Sub-Funds:			
• Launch Date	19 th June, 2015	• Minimum Investment	Rs. 1,000
• Type	Open Ended - Pension Scheme	• Management Fee	Equities Sub Fund: 0.75% Debt, MM and Commodities Sub Funds: 0.50%
• Fund Manager	Wasim Akram	• Front End Load	0.00% - 3.00%
• Par Value	Rs. 10	• Back End Load	0.00%
• Auditors	EY Ford Rhodes.	• Trustee	Central Depository Company of Pakistan Ltd.
• Pricing Mechanism	Forward Pricing	• Asset Manager Rating	AM2++ (PACRA)

Individual Sub-Funds:				
Sub-Fund Name	Equities Sub Fund (NITPF-ESF)	Debt Sub Fund (NITPF-DSF)	MM Sub Fund (NITPF-MMSF)	Commodities Sub Fund (NITPF-CSF)
• Fund Size as on June 30, 2019	71.13	99.82	113.25	95.99
• NAV/unit	8.2023	12.3980	12.3557	12.7964
• Risk Profile	High	Moderate	Low	High

Fund Performance Analysis:

Equities Sub-Fund

	2018-19	2017-18
Opening Net Assets (Rs. in million)	85.43	100.48
Opening NAV /unit (Rs.) (Ex Div)	10.1247	12.0697
Ending Net Assets (Rs. in million)	71.13	85.43
Ending NAV/unit (Rs.)	8.2023	10.1247
Total Return (%)	-18.99%	-16.11%

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Debt Sub-Fund

	2018-19	2017-18
Opening Net Assets (Rs. in million)	90.95	87.13
Opening NAV /unit (Rs.) (Ex Div)	11.4180	10.8789
Ending Net Assets (Rs. in million)	99.82	90.95
Ending NAV/unit (Rs.)	12.3980	11.4180
Total Return (%)	8.58%	4.96%

Money Market Sub-Fund

	2018-19	2017-18
Opening Net Assets (Rs. in million)	99.33	86.78
Opening NAV /unit (Rs.) (Ex Div)	11.3787	10.8433
Ending Net Assets (Rs. in million)	113.25	99.33
Ending NAV/unit (Rs.)	12.3557	11.3787
Total Return (%)	8.59%	4.94%

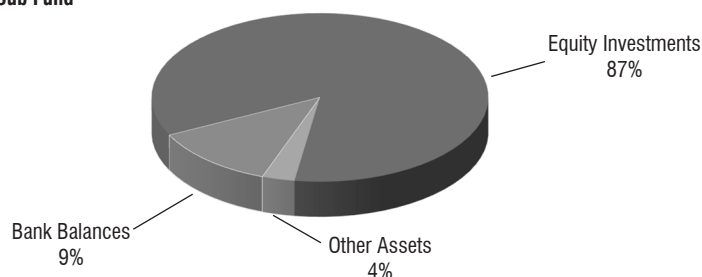
Commodities Sub-Fund

	2018-19	2017-18
Opening Net Assets (Rs. in million)	85.27	81.30
Opening NAV /unit (Rs.) (Ex Div)	11.3682	10.8393
Ending Net Assets (Rs. in million)	95.99	85.27
Ending NAV/unit (Rs.)	12.7964	11.3682
Total Return (%)	12.56%	4.88%

Asset Allocation

Equities Sub-Fund: The Fund allocation policy is geared towards proactively taking advantage of market opportunities depending on the market conditions. As on 30th June 2019, the Fund was invested to the extent of 87% in Equities as a percentage of total assets while the remaining exposure was in cash and others. Throughout the year, the Fund's equity exposure varies in order to take maximum advantage of investment opportunities. The asset allocation position of the Fund as on 30-06-2019 is depicted in the chart below:

Equities Sub Fund



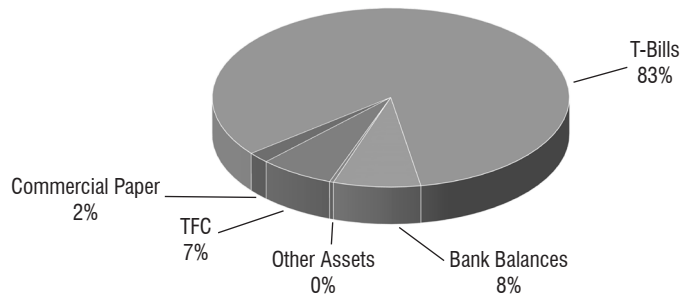
NIT - PENSION FUND

FUND MANAGER REPORT

2018-2019

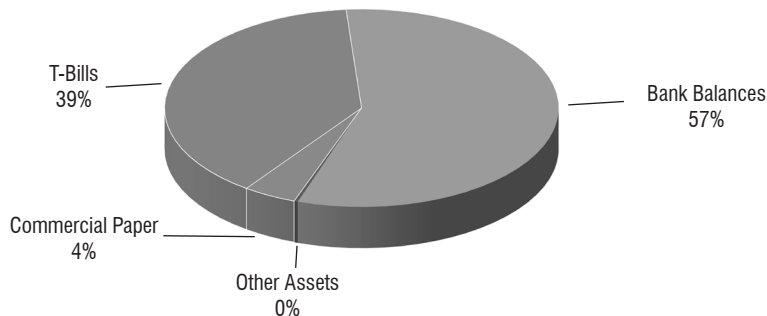
Debt Sub-Fund: Given the rising interest rate scenario, investment in Government securities stood at 83% of total assets comprising of T-Bills as at June 30, 2019. Bank balances and TFCs formed 8% and 7% of total assets respectively. Commercial papers formed 2% of net assets as at June 30, 2019:

Debt Sub Fund



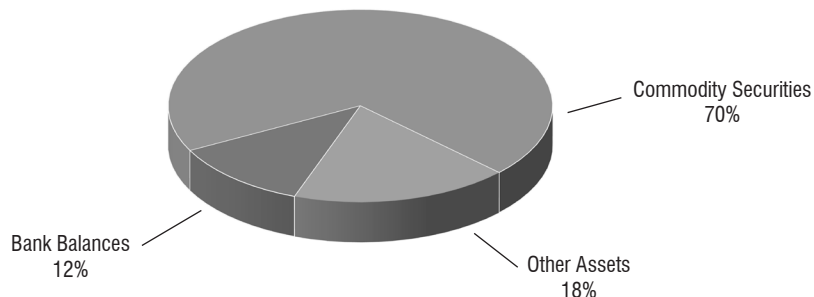
Money Market Sub-Fund: The Sub-Fund continued its strategy of investing primarily in T-Bills given the rising interest rate scenario, which formed 79% of total assets while the remaining liquidity was placed in Bank deposits offering decent rates. Investment in Commercial Papers formed 4% of total assets as at June 30, 2019.

Money Market Sub Fund



Commodities Sub-Fund: Gold Futures contracts formed 70% of the Fund's total assets as of June 30, 2019, while Bank balances and other assets formed 12% and 18% of the total assets of the fund, respectively.

Commodities Sub Fund



Categorization of Unit Holders By Size - (JUNE 2019)

Category	NIT Pension Fund Unit Holders	% of Total
Institutional Investors	1	1.47%
Individual	67	98.53%
TOTAL	68	100%

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FUND MANAGER REPORT

2018-2019

Market & Fund Performance Review

Stock Market

FY 2019 saw major changes taking place in the economic and political scenarios of Pakistan. Newly elected government assumed power in the first half of FY 2018 – 2019 and came across formidable macroeconomic challenges. The foremost challenge was to contain rising fiscal and external account deficits. Amid the challenging macroeconomic environment, the KSE 100 Index saw a decline of around 19% during the year with the index declining from the level of 41,911 to 33,902 within the fiscal year 2019. This decline can be attributed to many uncertainties that cropped up with the emergence of the new political and economic situation in the country. Enhanced empowerment of FBR, efforts aimed at increasing the tax base, effective implementation of the asset declaration scheme, announcement of the mini budget, hike in interest rates, devaluation of the rupee and falling of foreign currency reserves caused significant impact on the economy and consequently overall performance of the equity market.

Average Traded Volumes during FY19 clocked in at 155 mn shares down by 11% YoY. While Average Traded Value clocked in at USD47 mn during FY19, declining by 36%YoY. Currency depreciation turned out to be among the major causes of dismal FY19 performance of the equity market. PKR depreciated by a massive 34% against USD during FY19, with persistent volatility throughout the year and closed at Rs163.24/USD. Widening Current Account Deficit has depleted Forex reserves of the country and severely dented the strength of the local currency. The depreciation of PKR also causing high inflation as prices of all essential items surged at peak.

The Consumer Prices Index (CPI) for FY19 settled at 8.9%YoY as against 5.2% in FY18. This massive surge in inflation is a result of PKR devaluation, increase in energy prices (Electricity, Gas and Fuel) and increase in import duties. Food prices, Housing Index and Transport group were the major CPI items which fueled up CPI during FY19.

During FY19, the SBP raised interest rates five times. Cumulatively during FY19 the policy rate was raised by 575bps to 12.25%. With higher expected inflation and other related indicators, monetary tightening stance of the central bank may continue in the upcoming fiscal year.

FY 2018-19 marked the 4th consecutive year where foreign investors remained net sellers in the stock market. Net selling by the foreign investors clocked in at USD 356 mn 23% higher YoY. Uncertainty regarding the IMF program throughout the year and continuous slide of the currency against the USD are primary reasons for the lack of confidence of foreign investors in the local equity bourse. Pakistan's status at the FATF also remained one of the key concerns among investors.

The government's fiscal policies continue to focus on key issues imperative for the long term robustness of the economy including implementing widespread tax compliance and business reform, encourage manufacturing, and discourage unnecessary imports, removing subsidies and other fiscal anomalies. However, implementation of these necessary steps is expected to bring long-term structural changes which will set the base for robust and sustainable growth going forward.

Money Market

Over the fiscal year the State Bank of Pakistan adopted a tightening monetary stance and increased policy (target) rates from 6.50% to 12.25%. The decision taken by the SBP was due to higher government borrowing from SBP, lagged impact of exchange rate depreciations, hike in domestic fuel prices, and rising food prices. The average Consumer Price Index stood at 7.34% for FY19 as compared to 5.21% in FY18. These pressures are expected to recede in the second half of the coming fiscal year and the SBP expects inflation to average between 11% – 12% in FY20. On the external front, conditions showed continued steady improvement with a sizeable reduction in the current account deficit. The country's FX reserves stood at US\$ 14 billion as compared to US\$ 16 billion in the past year however with the disbursement of the IMF's Extended Fund Facility in July, SBP's foreign exchange reserve would increase.

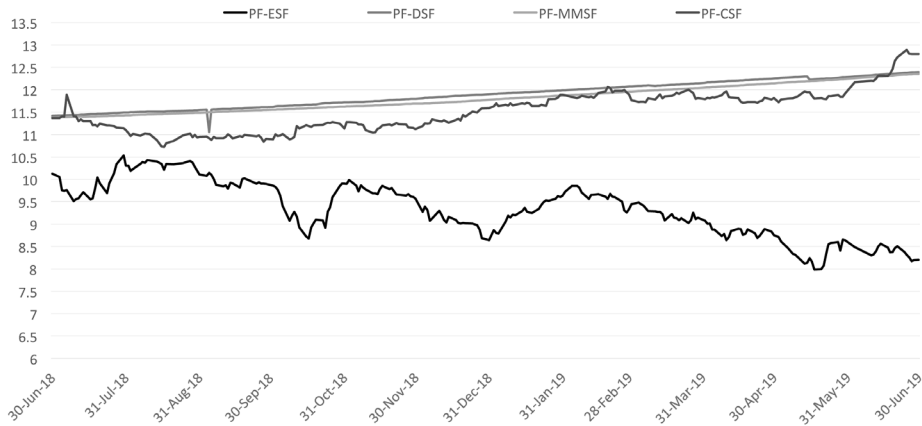
During FY19, SBP conducted a total of 26 T-bill auctions (two auctions per month and 3 auctions in Aug-18 and Jan-19). Treasury Bills auction cut off held in Jun-19 for the 3M was 12.75% while bids for the 6M and 12M tenors were rejected. Whereas T-bills cut off in the previous year for the 3M, 6M and 12M tenor was 6.76% p.a. while both 6M and 12M bids were rejected. The cut-off yields in the PIBs auction increased to 13.70% p.a., 13.80% p.a. and 13.70% p.a. on 3, 5 and 10 years respectively as compared to the previous year's closing cut off yields of 7.50% p.a., 8.48% p.a. and 8.70% p.a. for the 3, 5 and 10 years PIBs. Further, at the end of FY19 the 6-month KIBOR increased by 607bps to 13.11% as compared to last year ending at 7.04%.

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FUND MANAGER REPORT

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NAV Performance of Various Sub-Funds



NITPF-ESF: During the period under review, the NITPF-ESF posted a return of -18.99%. The return reflects the prevailing market conditions while the investment policy the Fund remains to be that of varying the equity exposure to take maximum advantage of investment opportunities. Stock selection remained geared towards selecting suitable investments considering the long-term nature of the pension funds.

NITPF-DSF: The NITPF-DSF posted a return of 8.58% during the period under review. The Fund return remained decent while ensuring high asset quality with the assets of the Fund remained primarily invested in short-term government securities during the period.

NITPF-MMSF: The Money Market Sub-fund of NIT Pension Fund posted a return of 8.59% during the period. The assets of the Fund remained primarily invested in short-term government securities during the period coupled with bank deposits thereby minimizing the risk for investors while providing decent returns for the period.

NITPF-CSF: The Commodities Sub-Fund posted a return of 12.56% during the year with gold prices remaining on an upward trajectory during the year.

Performance of Fund Since Inception

	FY 2015*	FY 2016	FY 2017	FY 2018	FY 2019	Since Inception
NITPF-ESF (%)	0.19	1.22	19.04	-16.11	-18.99	-17.98
NITPF-DSF (%)	6.08	3.90	4.48	4.96	8.58	5.95
NITPF-MMSF (%)	6.08	3.87	4.17	4.94	8.59	5.84
NITPF-CSF (%)	0.20	10.05	-1.70	4.88	12.56	27.96

*Launched on June 19, 2015

SWWF Disclosure

The Scheme has maintained provisions against Sind Workers' Welfare Fund's liability (**Rs. 0.14 million ESF, Rs. 0.39 million DSF, Rs. 0.41 million MMSF and Rs. 0.46 million CSF**). If the same were not made the NAV per unit/ year to date return of the Scheme would be higher by (**Rs. 0.02/0.19% for ESF, Rs. 0.05/0.39% for DSF, Rs. 0.04/0.36% for MMSF and Rs. 0.06/0.48% for CSF**). For details investors are advised to read the latest Financial Statement of the Scheme.

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2018-2019

Economic Review

The stresses on Pakistan's economy continued to build up in FY19, with sizeable twin deficits, rising inflation and depleting foreign exchange reserves. As a result, momentum in the real sector slowed, with domestic demand decelerating and GDP growth falling to a nine-year low of 3.3% in FY'19. The moderation in GDP growth is partly a result of policy induced, demand management measures, initiated since January 2018, to contain the buildup of inflationary pressures and rising twin deficits.

Agriculture which contributes around 19% of the GDP grew by just 0.8% compared with a 3.8% target. The subdued growth of agriculture sector can be traced to a noticeable contraction in the crop sector, particularly important crops. Sugarcane and cotton crop outputs declined by 19.4 % and 17.5 % respectively. However, the silver lining during FY19 was the livestock segment, which maintained its growth momentum at 4% from last year and ultimately pushed the agriculture sector's overall growth marginally into positive territory.

Industrial output subdued on the back of a cut in PSDP outlays, amid tightening in monetary policy, currency depreciation, and imposition of regulatory measures. Within industry, there were notable declines in LSM, construction, and mining and quarrying segments. Specifically, LSM posted a broad-based 2.1 % decline during FY19, compared to a 5.1 % growth recorded during the same period last year; nearly all the leading sectors contracted during the review period.

The services sector registered a growth of 4.7 % during FY19. Given its strong linkages with the commodity-producing sector, it was hardly a surprise that growth in wholesale and retail trade nearly halved during the review period compared to FY18. The slowdown in imports played a role in the lower growth of the retail trade segment.

The CPI has witnessed a rising trend during the current financial year. During FY19 headline inflation measured by CPI averaged at 7.3 % against 3.9 % during corresponding period of last year on the back of the prevalence of some underlying demand in the economy as well as continued pass through of currency depreciation and higher fuel prices due to US\$ appreciation despite declining trend in the international oil prices.

On the monetary policy implementation front, SBP reversed its policy stance from accommodative to contractionary monetary policy to curb excessive aggregate demand and ensure near term stability. Cumulatively during FY19 the policy rate was raised by 575bps to 12.25%.

The external account continued to improve as the year progressed, with the current account deficit in FY19 narrowed substantially to US\$ 13.50 billion in FY19, declining by US\$ 6.39 billion from the same period last year. Contractions in import payments for both goods and services were the primary factors, and were supported by a decent growth in worker remittances.

The trade deficit declined by 11 % to US\$ 28.3 billion in FY19. The overall imports declined by 7.25 % to US\$ 52.5 billion in FY19, in comparison with the same period last year. The sizable decline in machinery imports following the conclusion of early phase of CPEC, lower quantum energy imports (excluding LNG) amid lower power generation and a temporary softening in global oil prices, all contributed significantly to improvement in the CAD by lowering of import payments.

Pakistan's exports were recorded at US\$ 24.2 billion during FY19 lower by 2.2% as compared to last year. The broad-based slowdown in growth originated from quantum-led drops in sugar and non-basmati rice exports, tepid overall textile exports amid generally falling unit prices, and sluggishness in exports of other items, such as leather and sports goods.

The remittances registered a significant growth of 9.7 % during FY 19 as compared to last year, and reached to US\$ 21.8 billion during current fiscal year against US\$ 19.9 billion during the same period last year. Remittances numbers improved particularly from the US and UK, on the back of improved macroeconomic conditions and wage rises in these countries. Moreover, increased efforts by the Pakistan Remittance Initiative (PRI) also helped attract higher remittances from the Pakistani diaspora.

Nonetheless, despite the improvement in the CAD, its management remains challenging, especially when foreign investments did not show corresponding increases. In FY19, foreign investments were unable to pick up, partially due to the looming uncertainty regarding the exchange rate adjustment and the finalization of the IMF program, which may have dented the investors' confidence.

The net foreign direct investment in the country dropped 52.07 % in FY19 over the same period last year. FDI stands at US\$ 1.6 billion in this fiscal year, from US\$ 3.4 billion realized in the same period of FY18. Net Foreign portfolio investment account witnessed outflows of US\$ 1.27 billion during FY2019 as compared to US\$ 2.26 billion inflows in the same period last year. It is worth mentioning that previous government had mobilized US\$ 2.5

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billion in FY18 by issuing Eurobond and Sukuk in December 2017.

It is evident that the government is committed to take on emerging challenges through appropriate policy response. Moving forward, the aim is to put the economy on a path of sustainable growth by improved regulation to facilitate investment in the country, and the effort to drive fiscal discipline, document the informal sector, and shore up revenues through effective tax reform. Steps taken towards ensuring FATF compliance is expected to increase flow of remittances from official channels. The ongoing pains have long been in the making. But more importantly, the bold and necessary steps being implemented to bring long-term structural changes will set the base for robust and sustainable growth in the years to come.

(Economic data source: Economic Survey of Pakistan, FBS & SBP Website)

Other Disclosures under NBFC Regulations 2008:

The Fund Manager hereby makes the following disclosures as required under the NBFC Regulations 2008;

- a. The Management Company or any of its delegates did not receive any soft commission (goods & services) from any of its brokers / dealers by virtue of transactions conducted by the Fund.
- b. There was no unit split undertaken during the year.

TRUSTEE REPORT

TRUSTEE REPORT TO THE PARTICIPANTS

Report of the Trustee pursuant to Rule 31(h) of the Voluntary Pension System Rules, 2005

We, Central Depository Company of Pakistan Limited, being the Trustee of NIT Pension Fund (the Fund) are of the opinion that National Investment Trust Limited being the Pension Fund Manager of the Fund has in all material respects managed the Fund during the year ended June 30, 2019 in accordance with the provisions of the constitutive documents of the Fund and the Voluntary Pension System Rules, 2005

Sd/-

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 27, 2019

AUDITORS' REPORT

AUDITORS' REPORT TO THE PARTICIPANTS OF NIT PENSION FUND

We have audited the annexed financial statements comprising:

- i) Statement of Assets and Liabilities;
- ii) Income Statement;
- iii) Statement of Comprehensive Income;
- iv) Statement of Movement in Participants' Sub-Funds; and
- v) Cash flow statement

of **NIT Pension Fund** (the Fund) as at **30 June 2019** and for the year ended **30 June 2019** together with the notes forming part thereof for the year then ended.

It is the responsibility of the Pension Fund Manager to establish and maintain a system of internal control and prepare and present the financial statements of the Fund in conformity with the accounting and reporting standards as applicable in Pakistan and the requirements of Voluntary Pension System Rules, 2005. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion:

- a. the financial statements prepared for the year have been properly drawn in accordance with the relevant provisions of the trust deed and the Voluntary Pension System Rules, 2005 including the guidelines thereunder;
- b. a true and fair view is given of the disposition of the Fund as at 30 June 2019 and of the transactions of the fund for the year ended 30 June 2019;
- c. the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;
- d. the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;
- e. proper books and records have been kept by the Fund or the financial statements prepared are in agreement with the Fund's books and records, that fact;
- f. we were able to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of the audit; and
- g. no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Sd/-

Chartered Accountants

Audit Engagement Partner: Shaikh Ahmed Salman

Date: 27 September 2019

Karachi

NIT - PENSION FUND

BALANCE SHEET

AS AT JUNE 30, 2019

	June 30, 2019					June 30, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
Assets	(Rupees in '000)									
Bank balances	6,622	7,953	64,444	79,052	158,071	9,121	9,744	20,759	76,430	116,054
Investments	64,720	92,429	49,272	-	206,421	76,628	81,695	79,212	-	237,535
Financial assets at fair value through profit and loss	-	-	-	5,994	5,994	-	-	-	-	-
Dividend and profit receivable	399	262	271	306	1,238	242	149	4	-	395
Security deposits	2,600	100	100	11,498	14,298	2,600	100	-	12,032	14,732
Total assets	74,341	100,744	114,087	96,850	386,022	88,591	91,688	99,975	88,462	368,716
Liabilities										
Payable to National Investment Trust Limited - Pension Fund Manager	2,737	232	132	119	3,220	2,746	229	132	122	3,229
Payable to Central Depository Company of Pakistan Limited - Trustee	10	14	17	15	56	12	12	15	14	53
Payable to Securities and Exchange Commission of Pakistan	26	31	35	29	121	29	29	30	29	117
Financial liabilities at fair value through profit and loss	-	-	-	-	-	-	-	-	2,526	2,526
Accrued expenses and other liabilities	442	643	655	701	2,441	376	472	469	497	1,814
Total liabilities	3,215	920	839	864	5,838	3,163	742	646	3,188	7,739
Net assets	71,126	99,824	113,248	95,986	380,184	85,428	90,946	99,329	85,274	360,977
Participants' funds (as per statement attached)	71,126	99,824	113,248	95,986	380,184	85,428	90,946	99,329	85,274	360,977
Number of units in issue	8,671,476	8,051,580	9,165,591	7,501,073	33,389,720	8,437,623	7,965,191	8,729,349	7,501,147	32,633,310
Net assets value per unit (Rupees)	8.2023	12.3980	12.3557	12.7964		10.1247	11.4180	11.3787	11.3682	

The annexed notes from 1 to 25 form an integral part of these financial statements.

**For National Investment Trust Limited
(Pension Fund Manager)**

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - PENSION FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2019

	June 30, 2019					June 30, 2018					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	
Note	(Rupees in '000)										
Income											
Income from government securities	-	7,557	8,021	680	16,258	-	4,186	4,763	-	8,949	
Income from term finance certificates and sukus	-	652	-	-	652	-	391	-	-	391	
Profit on bank deposits	587	789	1,964	6,491	9,831	411	539	770	4,736	6,456	
Dividend income	3,910	-	-	-	3,910	4,550	-	-	-	4,550	
Net unrealised gain / (loss) on futures contracts											
of gold	8	-	-	5,994	5,994	-	-	-	(2,526)	(2,526)	
Realised (loss) / gain on gold contracts	-	-	-	(1,298)	(1,298)	-	-	-	2,920	2,920	
(Loss) / gain on sale of investments - net	-	(4)	(43)	-	(47)	289	391	-	-	680	
Total income / (loss)	4,497	8,994	9,942	11,867	35,300	5,250	5,507	5,533	5,130	21,420	
Expenses											
Impairment loss on equity securities classified as 'available for sale'	-	-	-	-	-	8,271	-	-	-	8,271	
Remuneration of National Investment Trust Limited - Pension Fund Manager	11.1	597	477	532	432	2,038	670	447	458	433	2,008
Sindh Sales Tax on remuneration of Pension Fund Manager	11.2	78	62	69	56	265	87	58	60	56	261
Remuneration of Central Depository Company of Pakistan Limited - Trustee	12.1	119	143	160	130	552	134	134	137	130	535
Sindh Sales Tax on remuneration of Trustee	12.2	16	19	21	17	73	17	17	18	17	69
Annual fee - Securities and Exchange Commission of Pakistan	13	26	31	35	29	121	29	29	30	29	117
Central Depository Charges		8	7	-	-	15	9	7	-	-	16
Auditors' remuneration	17	71	72	72	72	287	71	72	72	72	287
Amortisation of preliminary expenses and floatation costs		-	-	-	-	-	20	20	20	20	80
Securities transaction costs		-	-	-	134	134	-	-	-	183	183
Printing and related costs		23	23	22	22	72	21	21	21	21	84
Settlement and bank charges		89	24	24	43	180	260	164	171	104	699
Legal and professional charges		-	-	-	-	-	63	12	18	18	111
Total expenses		1,027	858	935	935	3,755	9,652	981	1,005	1,083	12,721
Net income / (loss) from operating activities		3,470	8,136	9,007	10,932	31,545	(4,402)	4,526	4,528	4,047	8,699
Provision for Sindh Workers' Welfare Fund	14.1	(69)	(163)	(180)	(219)	(631)	-	(91)	(91)	(81)	(263)
Net income / (loss) for the year		3,401	7,973	8,827	10,713	30,914	(4,402)	4,435	4,437	3,966	8,436

The annexed notes from 1 to 25 form an integral part of these financial statements.

**For National Investment Trust Limited
(Pension Fund Manager)**

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - PENSION FUND

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2019

	June 30, 2019					June 30, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
Note	(Rupees in '000)									
Net income / (loss) for the year	3,401	7,973	8,827	10,713	30,914	(4,402)	4,435	4,437	3,966	8,436
Other comprehensive income for the year										
Items not to be reclassified to income statement in subsequent years										
Gain on sale of investments classified as 'fair value through other comprehensive income' (FVOCI)	193	-	-	-	193	-	-	-	-	-
Net unrealised (diminution) / appreciation on re-measurement of investments classified as fair value through other comprehensive income' (FVOCI)	7.8 (19,916)	-	-	-	(19,916)	-	-	-	-	-
Net other comprehensive income not to be reclassified to income statement in subsequent years	(19,723)	-	-	-	(19,723)	-	-	-	-	-
Items to be reclassified to income statement in subsequent years										
Net unrealised diminution on re-measurement of investments classified as fair value through other comprehensive income' (FVOCI) / Available for sale	7.8 -	(103)	(7)	-	(110)	(11,938)	(120)	(6)	-	(12,064)
Net other comprehensive income to be reclassified to income statement in subsequent years	-	(103)	(7)	-	(110)	(11,938)	(120)	(6)	-	(12,064)
Total comprehensive (loss) / income for the year	(16,322)	7,870	8,820	10,713	11,081	(16,340)	4,315	4,431	3,966	(3,628)

The annexed notes from 1 to 25 form an integral part of these financial statements.

**For National Investment Trust Limited
(Pension Fund Manager)**

**Sd/-
Managing Director**

**Sd/-
Director**

**Sd/-
Director**

NIT - PENSION FUND
STATEMENT OF MOVEMENT IN PARTICIPANTS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	June 30, 2019					June 30, 2019					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	
Note	(Rupees in '000)										
Net assets at beginning of the year	85,428	90,946	99,329	85,274	360,977	100,485	87,135	86,778	81,295	355,693	
16	2,518	1,356	5,470	1	9,345	4,599	2,365	10,609	13	17,586	
Amount received on issue of units	(1,205)	(14)	-	-	(1,219)	(3,404)	(2,676)	(2,594)	-	(8,674)	
Amount paid on redemption of units	707	(334)	(371)	(2)	-	88	(193)	105	-	-	
Reallocation among sub-funds	2,020	1,008	5,099	(1)	8,126	1,283	(504)	8,120	13	8,912	
Net unrealised diminution on re-measurement of investments classified as fair value through other comprehensive income' (FVOCI)	7.8	(19,916)	(103)	(7)	-	(20,026)	(11,938)	(120)	(6)	-	(12,064)
Gain on sale of investments classified as 'fair value through other comprehensive income' (FVOCI)	193	-	-	-	193	289	391	-	-	680	
Realised (loss) / gain on gold contracts	-	-	-	(1,298)	(1,298)	-	-	-	2,920	2,920	
(Loss) / (gain) on sale of investments - net	-	(4)	(43)	-	(47)	-	-	-	-	-	
Net unrealised gain / (loss) on futures contracts of gold	-	-	-	5,994	5,994	-	-	-	(2,526)	(2,526)	
Other net gain / (loss) income for the year	3,401	7,977	8,870	6,017	26,265	(4,691)	4,044	4,437	3,572	7,362	
Total comprehensive (loss) / income for the year	(16,322)	7,870	8,820	10,713	11,081	(16,340)	4,315	4,431	3,966	(3,628)	
Net assets at end of the year	71,126	99,824	113,248	95,986	380,184	85,428	90,946	99,329	85,274	360,977	

The annexed notes from 1 to 25 form an integral part of these financial statements.

**For National Investment Trust Limited
(Pension Fund Manager)**

**Sd/-
Managing Director**

**Sd/-
Director**

**Sd/-
Director**

NIT - PENSION FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2019

	June 30, 2019					June 30, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)										
CASH FLOWS FROM OPERATING ACTIVITIES										
Net income / (loss) for the year	3,401	7,973	8,827	10,713	30,914	(4,402)	4,435	4,437	3,966	8,436
Adjustments:										
Amortisation of preliminary expenses and floatation costs	-	-	-	-	-	20	20	20	20	80
Impairment loss on equity securities classified as 'available for sale'	-	-	-	-	-	8,271	-	-	-	8,271
	3,401	7,973	8,827	10,713	30,914	3,889	4,455	4,457	3,986	16,787
(Increase) / decrease in assets										
Investments	(7,815)	(10,837)	29,933	-	11,281	(5,907)	(1,818)	521	-	(7,204)
Dividend and profit receivable	(157)	(113)	(267)	(306)	(843)	168	551	(3)	-	716
Financial assets at fair value through profit and loss	-	-	-	(5,994)	(5,994)	-	-	-	-	-
Security deposits	-	-	(100)	534	434	-	-	-	(1,300)	(1,300)
	(7,972)	(10,950)	29,566	(5,766)	4,878	(5,739)	(1,267)	518	(1,300)	(7,788)
Increase / (decrease) in liabilities										
Payable to National Investment Trust Limited - Pension Fund Manager	(9)	3	-	(3)	(9)	(11)	3	1	4	(3)
Payable to Central Depository Company of Pakistan Limited - Trustee	(2)	2	2	1	3	(2)	-	3	2	3
Payable to Securities and Exchange Commission of Pakistan	(3)	2	5	-	4	(3)	1	2	2	2
Financial liabilities at fair value through profit and loss	-	-	-	(2,526)	(2,526)	-	-	-	1,068	1,068
Accrued expenses and other liabilities	66	171	186	204	627	(344)	86	93	103	(62)
	52	178	193	(2,324)	(1,901)	(360)	90	99	1,179	1,008
Net cash (used in) / generated from operating activities	(4,519)	(2,799)	38,586	2,623	33,891	(2,210)	3,278	5,074	3,865	10,007
CASH FLOWS FROM FINANCING ACTIVITIES										
Amount received on issue of units	2,518	1,356	5,470	1	9,345	4,599	2,365	10,609	13	17,586
Amount paid on redemption of units	(1,205)	(14)	-	-	(1,219)	(3,404)	(2,676)	(2,594)	-	(8,674)
Re allocation among sub funds	707	(334)	(371)	(2)	-	88	(193)	105	-	-
Net cash flows from financing activities	2,020	1,008	5,099	(1)	8,126	1,283	(504)	8,120	13	8,912
Net (decrease) / increase in cash and cash equivalents during the year	(2,499)	(1,791)	43,685	2,622	42,017	(927)	2,774	13,194	3,878	18,919
Cash and cash equivalents at beginning of the year	9,121	9,744	20,759	76,430	116,054	10,048	6,970	7,565	72,552	97,135
Cash and cash equivalents at end of the year	6,622	7,953	64,444	79,052	158,071	9,121	9,744	20,759	76,430	116,054

The annexed notes from 1 to 25 form an integral part of these financial statements.

**For National Investment Trust Limited
(Pension Fund Manager)**

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

NIT Pension Fund (the Fund) was established under a Trust Deed executed between National Investment Trust Limited as Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) on 30 April 2015 and the Trust Deed was executed on May 14, 2015.

National Investment Trust Limited has been licensed to act as a Pension Fund Manager under the Voluntary Pension Scheme Rules, 2005 through a certificate of registration issued by SECP. The registered office of the Pension Fund Manager is situated at 6th floor, National Bank of Pakistan Building I.I. Chundrigar Road, Karachi.

The Fund is an unlisted pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the Offering document, no distribution of income or dividend is allowed from any of the sub-funds.

The objective of the Fund is to provide individuals with a portable, individualised, funded (based on defined contribution), flexible pension scheme, assisting and facilitating them to plan and provide for their retirement. The Fund comprises of four sub-funds namely Equity Sub-Fund, Debt Sub-Fund, Money Market Sub-Fund & Commodities Sub-Fund. Participants are offered various investment allocation schemes depending on their investment horizon, return requirements, risk tolerance and unique circumstances. Allocation schemes can be selected at the time of opening of account and subsequently at anniversary of the account. The contributions from participants are invested in various instruments belonging to different asset classes to get full benefits of risk minimisation through diversification.

The Fund received Seed Money from Pension Fund Manager amounting to Rs.300 million (i.e. Rs.75 million in each Sub-Fund) on June 12, 2015 against which 30 million units at the offer price of Rs.10 each were issued (i.e. Rs.75 million of each Sub-fund). Accordingly, the Fund commenced its operations from June 12, 2015.

PACRA has maintained an asset manager rating of "AM2++" to the Pension Fund Manager while the Fund is not currently rated.

Title of the assets of the fund are held in the name of CDC as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Voluntary Pension Rules, 2005 (the VPS Rules) and the requirement of Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the VPS Rules and 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 VPS Rules and requirements of the Trust Deed have been followed.

3 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for certain investments which are carried at fair value.

These financial statements are presented in Pakistani Rupee which is the Fund's functional and presentation currency.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result 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.

Judgments made by management in the application of accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment are explained in note 5.1.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are consistent with those of the previous financial years except as described in notes 5.1.

5.1 Financial assets

IFRS 9 Financial Instruments

Effective from July 01, 2018, the Fund has adopted IFRS 9: "Financial Instruments" which has replaced IAS 39: "Financial Instruments: Recognition and Measurement". The standard prescribes accounting and reporting requirements for recognition, classification, measurement and derecognition of financial assets and financial liabilities.

The IFRS 9 has replaced current categories of financial assets (Fair Value Through Profit or Loss (FVTPL), Available For Sale (AFS), held-to-maturity and loans and receivables) by the following classifications of Financial Assets:

- 1) Debt instruments at amortised cost
- 2) Debt instruments at Fair Value Through Other Comprehensive Income (FVOCI), with gains or losses recycled to profit or loss on derecognition
- 3) Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition
- 4) Financial assets at Fair Value through Profit or Loss

The accounting for financial liabilities remains largely the same as it was under IAS 39.

Under IFRS 9, the classification is based on two criteria, a) the entity's business model for managing the assets; and b) whether the instruments' contractual cashflows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion'). The assessment of the Fund's business model was made as at the date of initial application i.e. July 01, 2018. Accordingly, comparative figures for the year ended June 30, 2018 have not been restated. Therefore, financial instruments in the comparative period are still accounted for in accordance with IAS 39 Financial Instruments: Recognition and Measurement.

As a result of the above assessment, all the investments will be classified as Fair Value Through Other Comprehensive Income based on the business model of the Fund.

While the SECP vide its letter dated November 21, 2017, has deferred the applicability of requirements relating to impairment for debt securities on mutual funds till further instructions, the management has made an assessment of impairment under expected credit loss model of IFRS 9 for financial assets other than debt securities i.e. Bank Balances and other financial assets and concluded that impact is not material to the financial statements.

5.1.1 Policy from July 01, 2018

Policy under IFRS 9

Classification

Debt instruments

A debt instrument is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- The objectives for the portfolio, in particular, whether management's strategy focuses on earning contractual revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed; and
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process, the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium / discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

An equity instrument held for trading purposes is classified as measured at FVTPL.

Initial Measurement

Investments are initially measured at their fair value except in the case of financial assets recorded at FVTPL, transaction costs are added to, or subtracted from, this amount.

Subsequent Measurement

Debt instruments at amortized cost

After initial measurement, such debt instruments are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the effective interest rate.

Debt instruments at fair value through other comprehensive income

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. The accumulated loss recognised in OCI is recycled to the profit and loss upon derecognition of the assets.

Equity instruments at fair value through other comprehensive income

Upon initial recognition, the Fund occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The Fund's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of the payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss. Dividend income from equity instruments measured at FVTPL is recorded in profit or loss when the right to the payment has been established.

5.1.2 Policy till June 30, 2018

Before July 01, 2018, the Fund classified its investments as follows:

a) Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are acquired principally for the purpose of generating profit from short-term fluctuations in prices are classified as held for trading in the 'financial assets at fair value through profit or loss' category.

b) Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

c) Available-for-sale

Available for sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as (a) financial assets at fair value through profit or loss, or (b) loans and receivables.

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

Initial recognition and measurement

a) Financial assets at fair value through profit or loss

These investments are initially recognised at fair value. Transaction costs are expensed in the income statement.

b) Available for sale and loans and receivables

These are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition of such assets.

Subsequent measurement

Subsequent to initial recognition, financial assets designated by the management as at fair value through profit or loss and available for sale are valued as follows:

a) Basis of valuation of debt securities (other than government securities)

The debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities vide its Circular 33 of 2012 dated 24 October 2012. In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

b) Basis of valuation of government securities

The government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan.

Gain or loss is also recognised in the 'income statement' when financial assets carried at amortised cost are derecognised or impaired, and through the amortisation process.

c) Basis of valuation of equity securities

The equity securities are valued on the basis of closing quoted market prices available at the stock exchange.

Net gains and losses arising from changes in fair value of available for sale financial assets are taken to the 'statement of comprehensive income' until these are derecognised or impaired. At this time, the cumulative gain or loss previously recognised directly in the 'statement of comprehensive income' is transferred to the 'income statement'. 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.

d) Loans and receivables

Subsequent to initial recognition, financial assets classified as 'loans and receivables' are carried at amortised cost using the effective interest method.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Fund's financial assets as at July 01, 2018.

Financial assets	Note	Original classification under IAS 39	New classification under IFRS 9	Carrying amount	
				under IAS 39	under IFRS 9
				----- (Rupees in '000) -----	
Debt securities	(a)	Available for Sale	FVOCI	160,907	160,907
Quoted equity securities	(a)	Available for Sale	FVOCI	76,628	76,628

NIT - PENSION FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

Financial assets	Note	Original classification under IAS 39	New classification under IFRS 9	Carrying amount under IAS 39	Carrying amount under IFRS 9
				----- (Rupees in '000) -----	
Bank balances	(b)	Loans and receivables	Amortised Cost	116,054	116,054
Dividend and profit receivable	(b)	Loans and receivables	Amortised Cost	395	395
Security deposits	(b)	Loans and receivables	Amortised Cost	14,732	14,732

(a) These financial assets classified as 'Available for sale ' have been classified as fair value through other comprehensive income (FVOCI).

(b) The financial assets classified as 'loans and receivables' have been classified as amortised cost.

Impairment

Financial assets not carried 'at fair value through profit or loss' are reviewed at each balance sheet date to determine whether there is any indication of impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of asset and that loss events had an impact on the future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses are recognised in Income Statement. Any subsequent decrease in impairment loss on debt securities classified as available-for-sale is recognised in Income Statement.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

Offsetting of financial assets and 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.

5.2 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

IFRS 15 – Revenue from Contracts with Customers

IFRS 2 – Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)

IFRS – 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)

IFRS 9 – Financial Instruments

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

IAS 40 – Investment Property: Transfers of Investment Property (Amendments)

IFRIC 22 – Foreign Currency Transactions and Advance Consideration

Improvements to Accounting Standards Issued by the IASB in December 2016

IAS 28 – Investments in Associates and Joint Ventures: Clarification that measuring investees at fair value through profit or loss is an investment by investment choice

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any material effect on the financial statements.

5.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 3 – Definition of a Business (Amendments)	January 01, 2020
IFRS 3 – Business Combinations – Previously held interests in a joint operation	January 01, 2019
IFRS 4 – Insurance Contracts – Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)	July 01, 2022
IFRS 9 – Financial instruments – Prepayment Features with Negative Compensation (Amendments)	January 01, 2019
IFRS 10 – Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized
IFRS 11 – Joint Arrangements – Previously held interests in a joint operation	January 01, 2019
IFRS 16 – Leases	January 01, 2019
IAS – 1: Definition of Material – Amendments to IAS 1 and IAS 8	January 01, 2020

Standard or Interpretation	Effective date (annual periods beginning on or after)
IAS 12 Income Taxes – Income tax consequences of payments on financial instruments classified as equity	January 01, 2019
IAS 19 – Plan Amendment, Curtailment or Settlement (Amendments)	January 01, 2019
IAS 23 – Borrowing Costs - Borrowing costs eligible for capitalisation	January 01, 2019
IFRIC 23 – Uncertainty over Income Tax Treatments	January 01, 2019
IAS 28 – Long-term Interests in Associates and Joint Ventures – (Amendments)	January 01, 2019

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

IASB in December 2017. Such improvements are generally effective for accounting periods beginning on or after January 01, 2019 respectively. The Fund expects that such improvements to the standards will not have any impact on the Fund's financial statements in the period of initial application.

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 14 – Regulatory Deferral Accounts	January 01, 2016
IFRS 17 – Insurance Contracts	January 01, 2021

5.4 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund and include underwriting commission, commission to the bankers to the issue, brokerage paid to the members of the stock exchanges and other expenses. These costs are being amortised over a period of three years commencing from the date of complete receipt of proceeds against Seed Capital Units subscribed by the Seed Investor as per the requirements set out in the Trust Deed of the Fund.

5.5 Provisions

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

5.6 Taxation

The income of the Fund is exempt from Income Tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

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

5.7 Issue, allocation, reallocation and redemption of units

Contribution received in the individual pension account after deduction of applicable front end fee is used to purchase the units of sub-funds of the pension fund according to the Allocation Scheme selected by the participant. The units are allotted at the net assets value notified by the Pension Fund Manager at the close of the business day for each sub-fund on the date on which funds are actually realized against application after deduction of front end fee. The front end fee, if any, is payable to the distributors and the Pension Fund Manager.

The Pension Fund Manager makes reallocation of the sub-fund units between the sub-funds at least once a year to ensure that the allocation of the sub-fund units of all the Participants are according to the allocation schemes selected by the Participants. In case of withdrawal before retirement, units are redeemed at the net assets value of each of the Sub- Fund as of the close of the business day on which such request is received by the distributor before the cut off time. Redemption of units is recorded on acceptance of application for redemption.

In case of retirement of the participant, units are redeemed at the net assets value of each of the Sub-Fund as of the close of the business day on which retirement age is reached.

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In case of change of Pension Fund Manager, units are redeemed at the net assets value of each of the Sub-Fund as of the close of the business day corresponding to the date of change specified by the participant.

5.8 Net Assets Value per unit

The Net Assets Value (NAV) per unit, as disclosed on the Statement of Assets and Liabilities, is calculated by dividing the net assets of each of the Sub-Fund by the number of units in circulation of that Sub-Fund at the end of the reporting period.

5.9 Revenue recognition

- Realised gains / (losses) arising on sale of debt instruments are included in the income statement on the date at which the transaction takes place.

Realised gains / (losses) arising on sale of equity instruments classified at Fair value through other comprehensive income are included in the statement of comprehensive income on the date at which the transaction takes place.

- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as fair value through other comprehensive income are included in the statement of comprehensive income in the period in which they arise.
- Dividend income is recognised when the right to receive dividend is established i.e. on the date of book closure of the investee company / institution declaring the dividend.
- Mark-up on bank deposits and mark-up / return on debt and government securities is recognised using effective yield method.
- Income on commercial papers is recognised on a time proportion basis using effective yield method.

5.10 Earnings per unit (EPU)

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.

5.11 Cash and cash equivalents

Cash and cash equivalents comprise of deposits and current accounts maintained with banks. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

6	BANK BALANCES	Note	June 30, 2019					June 30, 2018				
			Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)												
	Savings accounts	6.1	6,622	7,953	64,444	79,052	158,071	9,121	9,744	20,759	76,430	116,054

6.1 These accounts carry interest rates ranging from 3.75% to 13.55% per annum (June 30, 2018: 3.75% to 7.35%).

7	INVESTMENTS	Note	June 30, 2019					June 30, 2018				
			Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)												

Fair value through other comprehensive income

Listed equity securities	7.1	64,720	-	-	-	64,720	-	-	-	-	-
Government securities - Market Treasury Bills	7.2 & 7.3	-	83,667	44,294	-	127,961	-	-	-	-	-
Term Finance Certificates	7.4	-	4,326	-	-	4,326	-	-	-	-	-
Listed Sukuks	7.5	-	2,445	-	-	2,445	-	-	-	-	-
Commercial Paper	7.6 & 7.7	-	1,991	4,978	-	6,969	-	-	-	-	-
			64,720	92,429	49,272	-	206,421	-	-	-	-

NIT - PENSION FUND

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Note	June 30, 2019					June 30, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)										
Available for sale										
Listed equity securities	7.1	-	-	-	-	76,628	-	-	-	76,628
Government securities - Market Treasury Bills	7.2 & 7.3	-	-	-	-	-	74,738	79,212	-	153,950
Term Finance Certificates	7.4	-	-	-	-	-	4,404	-	-	4,404
Listed Sukuks	7.5	-	-	-	-	-	2,553	-	-	2,553
		-	-	-	-	76,628	81,695	79,212	-	237,535

7.1 Listed equity securities

7.1.1 Held by Equity Sub-Fund

Shares of listed companies - fully paid up ordinary shares of Rs.10 each unless stated otherwise.

Name of the Investee Companies	As at July 01, 2018	Reclassification to fair value through other comprehensive income(see note 5.1.1)	Purchased during the year	Bonus issue	Right shares purchased / subscribed during the year	Sales during the year	As at June 30, 2019	Carrying cost as at June 30, 2019	Market value as at June 30, 2019	Market value as a percentage of net assets of sub-fund	Market value as a percentage of total investment of sub-fund	Par value as a percentage of issued capital of the investee company held
	(Number of shares)						(Rupees in '000)		(%)			
Commercial Banks												
Habib Bank Limited	8,000	8,000	26,500	-	-	-	34,500	5,267	3,907	5.50	6.04	0.03
MCB Bank Limited	25,000	25,000	-	-	-	-	25,000	4,944	4,361	6.13	6.74	0.04
Bank Al Habib Limited	30,000	30,000	-	-	-	10,000	20,000	882	1,568	2.20	2.42	0.01
United Bank Limited	27,000	27,000	15,000	-	-	-	42,000	7,576	6,190	8.71	9.56	0.05
Bank Alfalah Limited	-	-	18,500	-	-	-	18,500	927	806	1.13	1.25	-
	90,000	90,000	60,000	-	-	10,000	140,000	19,596	16,833	23.67	26.01	
Insurance												
IGI Holding Limited	7,500	7,500	-	1,125	-	-	8,625	2,243	1,311	1.84	2.03	0.42
	7,500	7,500	-	1,125	-	-	8,625	2,243	1,311	1.84	2.03	
Textile Composite												
Nishat Mills Limited	8,000	8,000	6,500	-	-	-	14,500	2,069	1,353	1.90	2.09	0.04
	8,000	8,000	6,500	-	-	-	14,500	2,069	1,353	1.90	2.09	
Cement												
D.G. Khan Cement Company Limited	32,000	32,000	-	-	-	10,000	22,000	2,519	1,244	1.75	1.92	0.03
Cherat Cement Company Limited	7,500	7,500	-	-	-	7,500	-	-	-	-	-	-
Fauji Cement Company Limited	114,000	114,000	-	-	-	30,000	84,000	1,919	1,321	1.86	2.04	0.01
Lucky Cement Limited	11,000	11,000	5,000	-	-	2,000	14,000	7,415	5,327	7.49	8.23	0.16
	164,500	164,500	5,000	-	-	49,500	120,000	11,853	7,892	11.10	12.19	
Power Generation and Distribution												
Kot Addu Power Company Limited	8,000	8,000	-	-	-	-	8,000	431	291	0.41	0.45	-
Hub Power Company	35,000	35,000	20,000	-	6,654	-	61,654	5,563	4,855	6.83	7.50	0.04
	43,000	43,000	20,000	-	6,654	-	69,654	5,994	5,146	7.24	7.95	
Oil and Gas Marketing Companies												
Pakistan State Oil Company Limited	15,600	15,600	-	3,120	-	7,000	11,720	3,219	1,988	2.80	3.07	0.05
Sui Northern Gas Pipeline Limited	-	-	13,500	-	-	-	13,500	1,196	938	1.32	1.45	0.01
	15,600	15,600	13,500	3,120	-	7,000	25,220	4,415	2,926	4.12	4.52	
Oil and Gas Exploration Companies												
Pakistan Oil Field Limited	2,000	2,000	-	400	-	1,000	1,400	407	568	0.80	0.88	0.02
Oil and Gas Development Company Limited	36,000	36,000	20,000	-	-	3,000	53,000	8,234	6,969	9.80	10.77	0.02
Mari Petroleum Limited	-	-	1,600	60	-	-	1,660	2,259	1,675	2.36	2.59	0.14
Pakistan Petroleum Limited	40,500	40,500	-	6,075	-	10,000	36,575	3,987	5,283	7.43	8.16	0.02
	78,500	78,500	21,600	6,535	-	14,000	92,635	14,887	14,495	20.39	22.40	
Automobile Assembler												
Honda Atlas Car	3,000	3,000	-	-	-	1,500	1,500	475	222	0.31	0.34	0.02
Indus Motor Company Limited	4,000	4,000	-	-	-	1,000	3,000	2,819	3,612	5.08	5.58	0.46
	7,000	7,000	-	-	-	2,500	4,500	3,293	3,834	5.39	5.92	
Engineering												
International Steel	10,000	10,000	-	-	-	-	10,000	1,017	397	0.56	0.61	0.01
International Industries Limited	-	-	5,500	-	-	-	5,500	963	424	0.60	0.65	0.04
Crescent Steel & Allied Products Limited	40,000	40,000	-	-	-	27,000	13,000	1,185	491	0.69	0.76	0.06
	50,000	50,000	5,500	-	-	27,000	28,500	3,165	1,312	1.85	2.02	
Automobile & Parts												
Agriauto Industries Limited*	5,000	5,000	-	-	-	-	5,000	1,221	1,000	1.41	1.55	0.69
	5,000	5,000	-	-	-	-	5,000	1,221	1,000	1.41	1.55	

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Name of the Investee Companies	As at July 01, 2018	Reclassification to fair value through other comprehensive income (see note 5.1.1)	Purchased during the year	Bonus issue	Right shares purchased / subscribed during the year	Sales during the year	As at June 30, 2019	Carrying cost as at June 30, 2019	Market value as at June 30, 2019	Market value as a percentage of net assets of sub-fund	Market value as a percentage of total investment of sub-fund	Par value as a percentage of issued capital of the investee company held			
													(Number of shares)	(Rupees in '000)	(%)
Cable & Electric Goods															
Pakistan Cables Limited	5,000	5,000	-	-	-	-	5,000	1,043	703	0.99	1.09	0.20			
	5,000	5,000	-	-	-	-	5,000	1,043	703	0.99	1.09				
Fertilizer															
Engro Corporation Limited	14,000	14,000	2,000	1,600	-	-	17,600	4,885	4,675	6.57	7.22	0.09			
Engro Fertilizer Limited	15,000	15,000	-	-	-	-	15,000	829	960	1.35	1.48	0.03			
Fauji Fertilizer Company Limited	10,000	10,000	4,500	-	-	-	14,500	1,229	1,264	1.78	1.95	0.01			
	39,000	39,000	6,500	1,600	-	-	47,100	6,943	6,899	9.70	10.65				
Pharmaceuticals															
The Searl Company Limited	9,028	9,028	-	904	-	3,000	6,932	1,898	1,016	1.43	1.57	0.05			
	9,028	9,028	-	904	-	3,000	6,932	1,898	1,016	1.43	1.57				
Total - June 30, 2019	522,128	522,128	138,600	13,284	6,654	113,000	567,666	78,621	64,720	91.03	100				
Total - June 30, 2018	498,524	-	44,500	4,104	1,000	26,000	522,128	70,615	76,628	89.61	100				

*These have a face value of Rs. 5 per share

7.1.2 Investments include shares with market value of Rs.2.809 million (June 30, 2018: Rs 4.181 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan, the breakup of which is as follows:

7.1.3 Name of Investee Company	Shares pledged	Market value (Rs. in '000)
Hub Power Company	5,000	394
Kot Addu Power	5,000	182
Engro Corporation	2,500	664
Pakistan Petroleum	5,000	722
Pakistan State Oil	5,000	848
		2,810

7.2 Government securities - Market Treasury Bills

7.2.1 Held by Debt Sub Fund

Issue date	Note	Tenor	Face value				As at June 30, 2019		Market value as a percentage of total investments of sub fund	Market value as a percentage of net assets of sub fund
			As at July 01, 2018	Purchased during the year	Disposed / matured during the year	As at June 30, 2019	Carrying cost	Market value/ Carrying Value		
(Rupees in '000)										
26-Apr-18		3 months	75,000	-	75,000	-	-	-	-	-
19-Jul-18		3 months	-	80,000	80,000	-	-	-	-	-
11-Oct-18		3 months	-	80,000	80,000	-	-	-	-	-
6-Dec-18		3 months	-	80,000	80,000	-	-	-	-	-
28-Feb-19		3 months	-	80,000	80,000	-	-	-	-	-
23-May-19	7.2.2	3 months	-	85,000	-	85,000	83,719	83,667	90.52	83.81
Total as at June 30, 2019			75,000	405,000	395,000	85,000	83,719	83,667	90.52	83.81
Total as at June 30, 2018			50,000	250,000	225,000	75,000	74,773	74,738	91.48	82.18

7.2.2 These treasury bills carry effective yield of 12.575% (June 30, 2018: 6.24%) per annum and will mature by August 2019.

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7.3 Government securities - Market Treasury Bills

7.3.1 Held by Money Market-Sub Fund

Issue date	Note	Tenor	Face value				As at June 30, 2019		Market value as a percentage of total investments of sub fund	Market value as a percentage of net assets of sub fund
			As at July 01, 2018	Purchased during the year	Disposed / matured during the year	As at June 30, 2019	Carrying cost	Market value / Carrying Value		
(Rupees in '000)										
26 April 2018		3 months	30,000	-	30,000	-	-	-	-	
21 June 2018		3 months	50,000	-	50,000	-	-	-	-	
19-Jul-18		3 months	-	90,000	90,000	-	-	-	-	
11-Oct-18		3 months	-	90,000	90,000	-	-	-	-	
06-Dec-18		3 months	-	90,000	90,000	-	-	-	-	
28-Feb-19		3 months	-	90,000	90,000	-	-	-	-	
23-May-19	7.3.2	3 months	-	100,000	55,000	45,000	44,322	44,294	89.90	
Total as at June 30, 2019			80,000	460,000	495,000	45,000	44,322	44,294	89.90	
Total as at June 30, 2018			80,000	400,000	400,000	80,000	79,233	79,212	100.00	

7.3.2 These treasury bills carry effective yield of 12.575% (June 30, 2018: 6.28%) per annum and will mature by August 2019.

7.4 Term Finance Certificates

7.4.1 Held by Debt Sub-Fund

Name of the investee company	Number of certificates				As at June 30, 2019		Market value as a percentage of total investments of sub fund	Market value as a percentage of net assets of sub fund
	As at July 01, 2018	Purchased during the year	Disposed / matured during the year	As at June 30, 2019	Carrying cost	Market value / carrying value		
(Rupees in '000)								
Bank AL Habib Limited (5th issue)								
As at June 30, 2019	875	-	-	875	4,370	4,326	4.68	4.33
As at June 30, 2018	875	-	-	875	4,372	4,404	5.39	4.84

7.4.2 Significant terms and conditions of term finance certificates outstanding at the year ended are as follows:

Name of security	Number of certificates	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Tenor	Secured / unsecured	Rating
Bank AL Habib Limited (5th issue)	875	4,994	6-months KIBOR + 0.75%	March 17, 2016	10 years	Unsecured	AA

7.5 Listed Sukuks

7.5.1 Held by Debt Sub-Fund

Name of the investee companies	Number of certificates				As at June 30, 2019		Market value as a percentage of total investments of sub fund	Market value as a percentage of net assets of sub fund
	As at July 01, 2018	Purchased during the year	Sales during the year	As at June 30, 2019	Carrying cost	Market value / Carrying value		
Rupees in '000								
Dawood Hercules Corporation Limited	22	-	-	22	2,200	2,196	2.38	2.20
Fatima Fertilizer Company Limited	99	-	-	99	248	249	0.27	0.25
Total as at June 30, 2019	121	-	-	121	2,448	2,445	2.65	2.45
Total as at June 30, 2018	99	22	-	121	2,547	2,553	2.81	3.12

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7.5.2 Significant terms and conditions of listed Sukuks outstanding at the year end are as follows:

Name of security	Number of certificates	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Tenor	Secured / unsecured	Rating
Dawood Hercules Corporation Limited	22	100,000	3-months KIBOR + 1.0%	March 1, 2018	5 years	Secured	AA
Fatima Fertilizers Company Limited	99	2,500	6-months KIBOR + 1.1%	November 28, 2016	5 years	Unsecured	AA-

7.6 Commercial Paper

7.6.1 Held by Debt Sub-Fund

Name of the investee company	Number of certificates				As at June 30, 2019		Market value as a percentage of total investments of sub fund	Market value as a percentage of net assets of sub fund
	As at July 01, 2018	Purchases during the year	Disposals during the year	As at June 30, 2019	Carrying cost	Market value / Carrying value		
Hascol Petroleum Limited	-	2	-	2	1,991	1,991	2.15	1.99
	-	2	-	2	1,991	1,991	2.15	1.99

----- Rupees in '000 ----- (%) -----

7.6.2 This commercial paper carries effective yield of 12.26% (2018: Nil) per annum and will mature by July 2019.

7.7 Commercial Paper

7.7.1 Held by Money Market Sub-Fund

Name of the investee company	Number of certificates				As at 30 June 2019		Market value as a percentage of total investments of sub fund	Market value as a percentage of net assets of sub fund
	As at July 01, 2018	Purchases during the year	Disposals during the year	As at June 30, 2019	Carrying cost	Market value / Carrying value		
Hascol Petroleum Limited	-	5	-	5	4,978	4,978	10.10	4.40
	-	5	-	5	4,978	4,978	10.10	4.40

----- Rupees in '000 ----- (%) -----

7.7.2 This commercial paper carries effective yield of 12.26% (2018: Nil) per annum and will mature by July 2019.

7.8 Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'fair value through other comprehensive income' (FVOCI) / Available for sale

	June 30, 2019					June 30, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
Market value of investments	64,720	92,429	49,272	-	206,421	76,628	81,695	79,212	-	237,535
Less: Carrying cost - net of impairment	(78,623)	(92,528)	(49,300)	-	(220,451)	(70,615)	(81,691)	(79,233)	-	(231,539)
	(13,903)	(99)	(28)	-	(14,030)	6,013	4	(21)	-	5,996
Less / add: Net unrealised (appreciation) / diminution on re-measurement of investments at beginning of the year	(6,013)	(4)	21	-	(5,996)	(17,951)	(124)	15	-	(18,060)
	(19,916)	(103)	(7)	-	(20,026)	(11,938)	(120)	(6)	-	(12,064)

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

8 FINANCIAL ASSETS / LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

This represents net fair value of gold future contracts entered into by the Fund at the Pakistan Mercantile Exchange. The details of contracts are given below:

NIT - PENSION FUND

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	Maturity date	Quantity ounces	Value of Gold in futures market US \$	Value of Gold in futures market equivalent (Pak Rupees in '000)	Market value as a percentage of net assets of sub fund (%)
Commodities contracts - matured					
Gold 10 oz - April 2019	March 27, 2019	350 oz	-	-	-
Gold 10 oz - February 2019	January 29, 2019	400 oz	-	-	-
Gold 10 oz - December 2018	November 28, 2018	450 oz	-	-	-
Gold 10 oz - August 2018	July 27, 2018	450 oz	-	-	-
Gold 10 oz - June 2019	May 29, 2019	400 oz	-	-	-
Commodities contracts - outstanding					
Gold 10 oz - August 2019	July 29, 2019	320 oz	1,413	67,671	70.50
Liabilities against gold futures at contracted rates-USD\$				<u>61,677</u>	
Unrealised gain on future contracts of gold				<u>5,994</u>	

9 DIVIDEND AND PROFIT RECEIVABLE

	June 30, 2019					June 30, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)										
Profit receivables on:										
- Term finance certificates	-	226	-	-	226	-	149	-	-	149
- Savings accounts	-	36	271	306	613	-	-	4	-	4
- Dividend	399	-	-	-	399	242	-	-	-	242
	<u>399</u>	<u>262</u>	<u>271</u>	<u>306</u>	<u>1,238</u>	<u>242</u>	<u>149</u>	<u>4</u>	<u>-</u>	<u>395</u>

10 SECURITY DEPOSITS

	June 30, 2019					June 30, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)										
National Clearing Company of Pakistan Limited	2,500	-	-	-	2,500	2,500	-	-	-	2,500
Central Depository Company of Pakistan Limited	100	100	100	-	300	100	100	-	-	200
Pakistan Mercantile Exchange	-	-	-	11,498	11,498	-	-	-	12,032	12,032
	<u>2,600</u>	<u>100</u>	<u>100</u>	<u>11,498</u>	<u>14,298</u>	<u>2,600</u>	<u>100</u>	<u>-</u>	<u>12,032</u>	<u>14,732</u>

11 PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED - PENSION FUND MANAGER

	June 30, 2019					June 30, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)										
Remuneration of Pension Fund Manager	45	41	45	33	164	53	38	45	36	172
Sindh Sales Tax	6	5	6	5	22	7	5	6	5	23
Preliminary expenses and flotation costs	61	61	61	61	244	61	61	61	61	244
Security deposit	2,600	100	-	-	2,700	2,600	100	-	-	2,700
Others	25	25	20	20	90	25	25	20	20	90
	<u>2,737</u>	<u>232</u>	<u>132</u>	<u>119</u>	<u>3,220</u>	<u>2,746</u>	<u>229</u>	<u>132</u>	<u>122</u>	<u>3,229</u>

11.1 As per rule 11 of the Voluntary Pension System Rules, 2005, the Pension Fund Manager has charged its remuneration at the rate of 0.75% for Equity Sub Fund and 0.5% for Debt Sub Fund, Money Market Sub Fund and Commodity Sub Fund of average annual net assets per annum. The remuneration is paid on a monthly basis in arrears.

11.2 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 July 01, 2011. During the year, Sindh Sales Tax at the rate of 13% (June 30, 2018: 13%) was charged on management remuneration and sales load.

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

12 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		June 30, 2019					June 30, 2018				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
Note		(Rupees in '000)									
Trustee remuneration	12.1	9	12	14	12	47	11	11	12	11	45
Sindh Sales Tax on Trustee remuneration	12.2	1	2	3	3	9	1	1	3	3	8
		10	14	17	15	56	12	12	15	14	53

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

Based on the Trust Deed, the tariff structure applicable to the Fund as at June 30, 2019 is as follows:

Net assets

Tariff

Upto Rs.1,000 million	Rs.0.3 million or 0.15% p.a of net assets, whichever is higher
Exceeding Rs.1,000 million upto Rs.3,000 million	Rs.1.5 million plus 0.10% p.a of net assets exceeding Rs.1,000 million
Exceeding Rs.3,000 million upto Rs.6,000 million	Rs.3.5 million plus 0.08% p.a of net assets exceeding Rs.3,000 million
Exceeding Rs.6,000 million	Rs.5.9 million plus 0.06% p.a of net assets exceeding Rs.6,000 million

The remuneration is paid to the Trustee monthly in arrears.

- 12.2 The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011, effective from July 01, 2015. During the year, Sindh Sales Tax at the rate of 13% (June 30, 2018: 13%) was charged on Trustee remuneration.

13 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) in accordance with rule 36 of the Voluntary Pension System Rules, 2005 whereby the Fund is required to pay SECP an amount equal to one thirtieth of 1% of the average annual net asset value of each of the pension sub fund.

14 ACCRUED EXPENSES AND OTHER LIABILITIES

		June 30, 2019					June 30, 2018				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
Note		(Rupees in '000)									
Provision for Sindh Workers' Welfare Fund	14.1	135	393	407	457	1,392	66	231	227	238	762
Federal Excise Duty on remuneration to Pension Fund Manager	14.2	188	199	197	195	779	188	199	197	195	779
Auditors' remuneration		49	50	49	49	197	42	42	42	42	168
Legal and professional charges		-	-	-	-	-	-	-	-	-	-
Payable against bonus shares		68	-	-	-	68	68	-	-	-	68
Brokerage payable		2	1	2	-	5	12	-	3	22	37
		442	643	655	701	2,441	376	472	469	497	1,814

- 14.1 The Sindh Revenue Board (SRB) had written to few mutual funds in January 2016 to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after December 31, 2013. MUFAP reviewed the issue and based on an opinion obtained in August 2016 decided that SWWF is not applicable on mutual funds as they are not financial institutions as required by SWWF Act, 2014. MUFAP wrote to SRB that mutual funds are not establishments and are pass through vehicles hence, they do not have any worker and no SWWF is payable by them. SRB responded back that as mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001, therefore SWWF is applicable on mutual funds. MUFAP has taken up this matter before the Sindh Finance Ministry to exclude mutual funds from SWWF.

MUFAP has also taken a legal opinion that SWWF, if applicable, can only be applied from the date of enactment of SWWF Act, 2014, i.e. May 21, 2015. Accordingly, on January 12, 2017, MUFAP as an abundant caution, has decided to provide for SWWF with effect from May 21, 2015, while the efforts to exclude mutual funds from SWWF continue. The provision for SWWF is being made on a daily basis. Had the SWWF not been provided, the NAV per unit of the Fund would have been higher by Rs.0.0156, Rs.0.0488, Rs.0.0444 and Rs.0.0609 for Equity sub-fund, Debt sub-fund, Money market sub-fund and commodities sub fund respectively (June 30, 2018: Rs.0.0078, Rs.0.0289, Rs.0.0260 and Rs.0.0317).

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

14.2 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from June 13, 2013. As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund, the Management Company was of the view that further levy of FED was not justified.

On September 04, 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various Asset Management Companies, together with their representatives of Collective Investment Schemes through their trustees, challenging the levy of FED.

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

With effect from July 01, 2016, FED on services provided or rendered by Non-Banking Financial Institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made prior to this period has been maintained by the Fund which at June 30, 2019 aggregates to Rs.0.779 million (2018: Rs.0.779 million). Had the provision for FED not been recorded in the financial statements of the Fund, the NAV per unit of the Fund as at June 30, 2018 would have been higher by Rs.0.0217, Rs.0.0247, Rs.0.0215 and Rs.0.0260 for Equity sub-fund, Debt sub-fund, Money Market sub-fund and Commodities sub-fund respectively (June 30, 2018: Rs.0.0223, Rs.0.0250, Rs.0.0226 and Rs.0.0260).

15 NUMBER OF UNITS IN ISSUE

	June 30, 2019					June 30, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	(Rupees in '000)									
Total units in issue at beginning of the year	8,437,623	7,965,191	8,729,349	7,501,147	32,633,310	8,325,377	8,009,516	8,002,878	7,500,000	31,837,771
Units issued during the period	276,496	114,540	466,393	65	857,494	429,134	213,249	949,658	1,137	1,593,178
Units redeemed during the period	(126,150)	(1,170)	-	-	(127,320)	(310,380)	(240,667)	(233,645)	-	(784,692)
Reallocation during the period	83,507	(26,981)	(30,151)	(139)	26,236	(6,508)	(16,907)	10,458	10	(12,947)
Total units in issue at end of the year	8,671,476	8,051,580	9,165,591	7,501,073	33,389,720	8,437,623	7,965,191	8,729,349	7,501,147	32,633,310

16 CONTRIBUTION TABLE

	June 30, 2019									
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Commodities Sub-Fund		Total	
	(Units)	(Rs. '000)	(Units)	(Rs. '000)	(Units)	(Rs. '000)	(Units)	(Rs. '000)	(Units)	(Rs. '000)
Individuals	276,496	2,518	114,540	1,356	466,393	5,470	65	1	857,494	9,345
	276,496	2,518	114,540	1,356	466,393	5,470	65	1	857,494	9,345

	June 30, 2018									
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Commodities Sub-Fund		Total	
	(Units)	(Rs. '000)	(Units)	(Rs. '000)	(Units)	(Rs. '000)	(Units)	(Rs. '000)	(Units)	(Rs. '000)
Individuals	429,134	4,599	213,249	2,365	949,658	10,609	1,137	13	1,593,178	17,586
	429,134	4,599	213,249	2,365	949,658	10,609	1,137	13	1,593,178	17,586

17 AUDITORS' REMUNERATION

	June 30, 2019					June 30, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	(Rupees in '000)									
Statutory audit fee	38	38	37	37	150	38	38	37	37	150
Half yearly review										
Out of pocket expenses including government levy	19	19	19	18	75	19	19	19	18	75
	14	15	16	17	62	14	15	16	17	62
	71	72	72	72	287	71	72	72	72	287

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

18 FINANCIAL INSTRUMENTS BY CATEGORY

June 30, 2019													
Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Commodities Sub-Fund			Total	
At amortised cost	At fair value through OCI	Total	At amortised cost	At fair value through OCI	Total	At amortised cost	At fair value through OCI	Total	At amortised cost	At fair value through P&L	At fair value through OCI		Total
(Rupees in '000)													
Bank balances	6,622	-	6,622	7,953	-	7,953	64,444	-	64,444	79,052	-	79,052	158,071
Investments	-	64,720	64,720	-	92,429	92,429	-	49,272	49,272	-	-	-	206,421
Dividend and profit receivables	399	-	399	262	-	262	271	-	271	306	-	306	1,238
Security deposits	2,600	-	2,600	100	-	100	100	-	100	11,498	-	11,498	14,298
Financial asset at fair value through profit or loss	-	-	-	-	-	-	-	-	-	5,994	-	5,994	5,994
	9,621	64,720	74,341	8,315	92,429	100,744	64,815	49,272	114,087	90,856	5,994	96,850	386,022

Financial assets

Bank balances	6,622	-	6,622	7,953	-	7,953	64,444	-	64,444	79,052	-	79,052	158,071
Investments	-	64,720	64,720	-	92,429	92,429	-	49,272	49,272	-	-	-	206,421
Dividend and profit receivables	399	-	399	262	-	262	271	-	271	306	-	306	1,238
Security deposits	2,600	-	2,600	100	-	100	100	-	100	11,498	-	11,498	14,298
Financial asset at fair value through profit or loss	-	-	-	-	-	-	-	-	-	5,994	-	5,994	5,994
	9,621	64,720	74,341	8,315	92,429	100,744	64,815	49,272	114,087	90,856	5,994	96,850	386,022

June 30, 2019													
Equity Sub-Fund			Debt Sub-Fund			Money market Sub-Fund			Commodities Sub-Fund			Total	
Liabilities at fair value through profit or loss	At amortised cost	Total	Liabilities at fair value through profit or loss	At amortised cost	Total	Liabilities at fair value through profit or loss	At amortised cost	Total	Liabilities at fair value through profit or loss	At amortised cost	Total		Total
(Rupees in '000)													
Payable to National Investment Trust Limited - Pension Fund Manager	-	2,731	2,731	-	227	227	-	126	126	-	114	114	3,198
Payable to Central Depository Company of Pakistan Limited - Trustee	-	9	9	-	12	12	-	14	14	-	12	12	47
Accrued expenses and other liabilities	-	120	120	-	51	51	-	51	51	-	49	49	271
	-	2,860	2,860	-	290	290	-	191	191	-	175	175	3,516

Financial liabilities

Payable to National Investment Trust Limited - Pension Fund Manager	-	2,731	2,731	-	227	227	-	126	126	-	114	114	3,198
Payable to Central Depository Company of Pakistan Limited - Trustee	-	9	9	-	12	12	-	14	14	-	12	12	47
Accrued expenses and other liabilities	-	120	120	-	51	51	-	51	51	-	49	49	271
	-	2,860	2,860	-	290	290	-	191	191	-	175	175	3,516

As at June 30, 2018													
Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Commodities Sub-Fund			Total	
Loans and receivables	Available for sale	Total	Loans and receivables	Available for sale	Total	Loans and receivables	Available for sale	Total	Loans and receivables	Available for sale	Total		Total
(Rupees in '000)													
Bank balances	9,121	-	9,121	9,744	-	9,744	20,759	-	20,759	76,430	-	76,430	116,054
Investments	-	76,628	76,628	-	81,695	81,695	-	79,212	79,212	-	-	-	237,535
Dividend and profit receivables	242	-	242	149	-	149	4	-	4	-	-	-	395
Security deposits	2,600	-	2,600	100	-	100	-	-	-	12,032	-	12,032	14,732
	11,963	76,628	88,591	9,993	81,695	91,688	20,763	79,212	99,975	88,462	-	88,462	368,716

Financial assets

Bank balances	9,121	-	9,121	9,744	-	9,744	20,759	-	20,759	76,430	-	76,430	116,054
Investments	-	76,628	76,628	-	81,695	81,695	-	79,212	79,212	-	-	-	237,535
Dividend and profit receivables	242	-	242	149	-	149	4	-	4	-	-	-	395
Security deposits	2,600	-	2,600	100	-	100	-	-	-	12,032	-	12,032	14,732
	11,963	76,628	88,591	9,993	81,695	91,688	20,763	79,212	99,975	88,462	-	88,462	368,716

As at June 30, 2018													
Equity Sub-Fund			Debt Sub-Fund			Money market Sub-Fund			Commodities Sub-Fund			Total	
Liabilities at fair value through profit or loss	At amortised cost	Total	Liabilities at fair value through profit or loss	At amortised cost	Total	Liabilities at fair value through profit or loss	At amortised cost	Total	Liabilities at fair value through profit or loss	At amortised cost	Total		Total
(Rupees in '000)													
Payable to National Investment Trust Limited - Pension Fund Manager	-	2,739	2,739	-	224	224	-	126	126	-	117	117	3,206
Payable to Central Depository Company of Pakistan Limited - Trustee	-	11	11	-	11	11	-	12	12	-	11	11	45
Financial liability at fair value through profit or loss	-	-	-	-	-	-	-	-	-	2,526	-	2,526	2,526
Accrued expenses and other liabilities	-	122	122	-	42	42	-	45	45	-	64	64	273
	-	2,872	2,872	-	277	277	-	183	183	2,526	192	192	6,050

Financial liabilities

Payable to National Investment Trust Limited - Pension Fund Manager	-	2,739	2,739	-	224	224	-	126	126	-	117	117	3,206
Payable to Central Depository Company of Pakistan Limited - Trustee	-	11	11	-	11	11	-	12	12	-	11	11	45
Financial liability at fair value through profit or loss	-	-	-	-	-	-	-	-	-	2,526	-	2,526	2,526
Accrued expenses and other liabilities	-	122	122	-	42	42	-	45	45	-	64	64	273
	-	2,872	2,872	-	277	277	-	183	183	2,526	192	192	6,050

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

19 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

19.1 Connected persons include National Investment Trust Limited being the Pension Fund Manager, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Pension Fund Manager, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Pension Fund Manager or the net assets of the Fund and directors and officers of the Pension Fund Manager and unit holders holding 10 percent or more units of the Fund.

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

19.3 Remuneration payable to Pension Fund Manager and the Trustee is determined in accordance with the provisions of the Voluntary Pension System Rules and the Trust Deed respectively.

19.4 Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in these financial statements, are as follows:

19.5 Transactions during the year:

	June 30, 2019					June 30, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total

(Rupees in '000)

National Investment Trust Limited - Pension Fund Manager

Remuneration of Pension Fund Manager	597	477	532	432	2,038	670	447	458	433	2,008
Sindh Sales Tax on Pension Fund Manager's remuneration	78	62	69	56	265	87	58	60	56	261

Central Depository Company of Pakistan Limited - Trustee

Trustee remuneration	119	143	160	130	552	134	134	137	130	535
Sindh Sales Tax on remuneration of Trustee	16	19	21	17	73	17	17	18	17	69
Custodian charges of Central Depository Company of Pakistan Limited	8	7	-	-	15	9	7	-	-	16

19.6 Amount outstanding as at year end:

	June 30, 2019					June 30, 2018				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total

(Number of Units)

National Investment Trust Limited - Pension Fund Manager

Units held	7,500,000	7,500,000	7,500,000	7,500,000	30,000,000	7,500,000	7,500,000	7,500,000	7,500,000	30,000,000
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(Rupees in '000)

Amount of units held	61,517	92,985	92,668	95,973	343,143	75,935	85,635	85,340	85,262	332,172
Pension Fund Manager's Remuneration payable	45	41	45	33	164	53	38	45	36	172
Sindh Sales Tax payable	6	5	6	5	22	7	5	6	5	23
Preliminary expenses and flotation cost payable	61	61	61	61	244	61	61	61	61	244
Security deposits	2,600	100	-	-	2,700	2,600	100	-	-	2,700
Other payable	25	25	20	20	90	25	25	20	20	90

Central Depository Company of Pakistan Limited - Trustee

Remuneration payable	9	12	14	12	47	11	11	12	11	45
Sindh Sales Tax on Trustee remuneration	1	2	3	3	9	1	1	3	3	8

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

20 FINANCIAL RISK MANAGEMENT

The Fund primarily invests in a portfolio of equity and money market investments such as shares of listed companies, investment-grade debt securities, government securities and other money market instruments. These activities are exposed to a variety of financial risks i.e. market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.

20.1 Market risk

Market risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market prices.

The Pension Fund Manager manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and regulations laid down by the Securities and Exchange Commission of Pakistan. The maximum risk resulting from financial instruments equals their fair values.

Market risk comprises three types of risk; currency risk, interest rate risk and price risk.

20.1.1 Currency risk

Currency risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present, is not exposed to any significant currency risk as its operations are geographically restricted to Pakistan and all major transactions are carried out in Pak Rupees.

20.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Sensitivity analysis for variable rate instruments

- a) Debt Sub-Fund holds KIBOR based profit bearing TFCs exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in KIBOR, with all other variables held constant, the net assets of the Fund as on June 30, 2019 and net income for the year then ended would have been higher / lower by Rs.0.043 (June 30, 2018: Rs.0.044) million.
- b) The Fund holds balances with banks in PLS savings accounts, exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in KIBOR, with all other variables held constant, the net assets of the Fund as on June 30, 2019 and net income for the year then ended would have been higher / lower by Rs.1.58 (June 30, 2018: Rs.1.16) million.

Sensitivity analysis of fixed rate instruments

- a) Money Market Sub-Fund and Debt Sub-Fund hold Government Securities which are classified as 'Fair value through Other Comprehensive Income', exposing the Sub-Funds to interest rate risk. In case of 100 basis points increase / decrease in rates announced by MUFAP (Mutual Funds Association of Pakistan) on June 30, 2019, with all other variables held constant, the net assets of the Fund and net income for the year would have been lower / higher by Rs.1.37 (June 30, 2018: Rs.1.56) million.

The composition of the Fund's investment portfolio, KIBOR rates, rates announced by Reuters and MUFAP are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2019 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

Yield / interest rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off balance sheet instruments is based on settlement date.

	As at June 30, 2019																			
	Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				Commodities Sub-Fund							
	Effective yield / interest rate %	Exposed to yield / interest rate risk	Not exposed to yield / interest rate risk	Total	Effective yield / interest rate %	Exposed to yield / interest rate risk	Not exposed to yield / interest rate risk	Total	Effective yield / interest rate %	Exposed to yield / interest rate risk	Not exposed to yield / interest rate risk	Total	Effective yield / interest rate %	Exposed to yield / interest rate risk	Not exposed to yield / interest rate risk	Total				
	Up to three months	More than three months upto one year	More than three months upto one year	More than three months upto one year	Up to three months	More than three months upto one year	More than three months upto one year	More than three months upto one year	Up to three months	More than three months upto one year	More than three months upto one year	More than three months upto one year	Up to three months	More than three months upto one year	More than three months upto one year	More than three months upto one year	Total			
	(Rupees in 000)																			
On-balance sheet financial instruments																				
Financial assets																				
Bank balances	6,822	-	-	6,822	7,953	-	-	7,953	5,413,55	64,444	-	-	64,444	5,413,55	79,052	-	79,052	158,071		
Investments	-	64,720	64,720	129,440	83,687	1,991	6,771	92,429	44,294	4,978	-	-	49,272	-	-	-	206,421	250,421		
Dividend and profit receivables	-	-	-	-	-	-	262	262	-	-	-	-	-	-	-	-	306	306	1,238	
Security deposits	-	-	2,600	2,600	-	-	-	-	-	-	-	-	-	-	-	-	14,298	14,298	17,098	
Financial asset at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Financial liabilities	6,822	-	67,719	74,541	91,620	1,991	6,771	362	100,744	108,738	4,978	-	371	114,087	5,994	-	14,604	99,650	388,222	
Payable to National Investment Trust Limited - Pension Fund Manager	-	-	2,731	2,731	-	-	-	227	227	-	-	-	-	-	-	-	-	114	114	3,198
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	9	9	-	-	-	12	12	-	-	-	-	-	-	-	-	12	12	47
Accrued expenses and other liabilities	-	-	120	120	-	-	-	51	51	-	-	-	191	191	-	-	-	49	49	271
	-	-	2,860	2,860	-	-	-	280	280	-	-	-	-	-	-	-	-	175	175	3,616
On-balance sheet gap	6,822	-	64,859	71,481	91,620	1,991	6,771	72	100,454	108,738	4,978	-	180	113,896	5,994	-	14,429	99,475	385,306	
Off-balance sheet financial instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap	6,822	-	-	64,859	91,620	1,991	6,771	72	100,454	108,738	4,978	-	180	113,896	5,994	-	14,429	99,475	385,306	
Total interest rate sensitivity gap	6,822	-	-	64,859	91,620	1,991	6,771	72	100,454	108,738	4,978	-	180	113,896	5,994	-	14,429	99,475	385,306	
Cumulative interest rate sensitivity gap	6,822	6,822	6,822	6,822	91,620	93,611	100,382	100,454	100,454	108,738	113,716	113,716	113,716	113,716	119,710	119,710	119,710	119,710	119,710	119,710
	(Rupees in 000)																			
Off-balance sheet financial instruments																				
Financial assets																				
Bank balances	9,121	-	-	9,121	9,744	-	-	9,744	3,75	20,759	-	-	20,759	3,75	76,430	-	76,430	116,054		
Investments	-	-	76,628	76,628	74,738	6,957	-	81,695	79,212	-	-	-	79,212	-	-	-	-	237,535		
Dividend and profit receivables	-	-	242	242	-	-	149	149	-	-	-	-	4	4	-	-	-	395		
Security deposits	-	-	2,600	2,600	-	-	-	-	-	-	-	-	-	-	-	-	-	14,792		
Financial asset at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Accrued expenses and other liabilities	-	-	122	122	-	-	-	42	42	-	-	-	-	-	-	-	-	64	64	273
	-	-	2,872	2,872	-	-	-	277	277	-	-	-	183	183	-	-	-	2,718	2,718	6,050
On-balance sheet gap	9,121	-	76,596	85,719	84,482	6,957	249	91,688	91,688	98,971	-	-	4	99,975	76,430	-	12,032	88,462	368,716	
Off-balance sheet financial instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap	9,121	-	-	76,596	84,482	6,957	(28)	91,411	91,411	98,971	-	-	(79)	99,792	76,430	-	9,314	85,744	362,666	
Total interest rate sensitivity gap	9,121	-	-	76,596	85,719	6,957	(28)	91,411	91,411	98,971	-	-	(79)	99,792	76,430	-	9,314	85,744	362,666	
Cumulative interest rate sensitivity gap	9,121	9,121	9,121	9,121	84,482	91,439	91,439	91,439	91,439	98,971	99,971	99,971	99,971	99,971	102,401	102,401	102,401	102,401	102,401	102,401
	(Rupees in 000)																			

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

20.1.3 Price risk

Price risk is the risk of volatility in prices of financial instruments resulting from their dependence on market sentiments, speculative activities, supply and demand for financial instruments and liquidity in the market. The value of investments may fluctuate due to change in business cycles affecting the business of the company in which the investment is made, change in business circumstances of the company, industry environment and / or the economy in general.

The Pension Fund Manager's strategy on the management of investment risk is driven by the Fund's investment objective. The primary objective of the Fund is to provide the maximum return to the participants from investment in Shariah compliant investments for the given level of risks. The Fund's market risk is managed on a daily basis by the Pension Fund Manager in accordance with the policies and procedures laid down by the SECP. The funds are allocated among various asset classes based on the attractiveness of the particular asset class. The allocation among these is dependent on the time horizon for investments and liquidity requirements of the portfolio. The market risk is managed by monitoring exposure to marketable securities, and by complying with the internal risk management policies and regulations laid down in VPS Rules and directives issued by the SECP.

The Fund's overall market positions are monitored on a quarterly basis by the Board of Directors of the Pension Fund Manager.

Details of the Fund's investment portfolio exposed to price risk, at the balance sheet date are disclosed in note 7 to these financial statements. At June 30, 2019 the Fund's overall exposure to price risk is limited to the fair value of those positions. The Fund also manages its exposure to price risk by analysing the investment portfolio by industrial sector and benchmarking the sector weighting to that of the Pakistan Stock Exchange Index - 100 (PSX 100). The Fund's policy is to concentrate the investment portfolio in sectors where management believes that the Fund can maximise the returns derived for the level of risk to which the Fund is exposed.

In case of 5% increase / decrease in PSX 100 index on June 30, 2019, the net assets relating to the Equity Sub-Fund and total net assets of the Fund would increase / decrease by Rs.3.24 (June 30, 2018: Rs.3.83) million as a result of gains / losses on equity securities classified as at fair value through other comprehensive income.

The Pension Fund Manager uses the PSX 100 index as a reference point in making investment decisions. However, the Pension Fund Manager does not manage the Fund's investment strategy to track the PSX 100 index or any other index or external benchmark. The sensitivity analysis presented is based upon the portfolio composition as at June 30, 2019 and the historical correlation of the securities comprising the portfolio of the PSX 100 index. The composition of the Fund's investment portfolio and the correlation thereof to the PSX 100 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2019 is not necessarily indicative of the effect on the Fund's net assets attributed to units of future movements in the level of the PSX 100 Index.

20.2 Credit risk

The Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due. Credit risk arises from the inability of the relevant brokerage house or the counter party to fulfil their obligations. There is a possibility of default by participants or failure of the financial markets / stock exchanges, the depositories, the settlements or clearing system, etc.

The Fund's credit risk is primarily attributable to its investment in debt securities and government securities, balances with banks and advances, deposits and other receivables. The credit risk of the Fund is limited as the investments are made and balances are maintained with counter parties that are financial institutions with reasonably high credit rating. Risk attributable to investment in government securities is limited as these are guaranties by the Federal Government.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through the assignment of credit limits and by following strict credit evaluation criteria laid down by the Pension Fund Manager.

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The maximum exposure to credit risk is as follows:

As at June 30, 2019								
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Rating agency	Published rating	Percentage of total bank balances	
								%
Bank balances								
(Rupees in '000)								
Name of the bank								
Habib Bank Limited	-	7,003	22,000	78,721	107,724	JCR-VIS	AAA	68.14
United Bank Limited	27	-	22	5	54	JCR-VIS	AAA	0.03
Bank AL Habib Limited	6,580	830	560	265	8,235	PACRA	AA+	5.20
Bank Alfalah Limited	4	5	4	5	18	PACRA	AA+	0.01
Allied Bank Limited	-	9	-	9	18	PACRA	AAA	0.01
Habib Metropolitan Bank	-	5	-	4	9	PACRA	AA+	0.01
MIB Bank Limited	2	100	101	43	246	PACRA	AAA	0.17
Dubai Islamic Bank Pakistan Limited	5	-	4	-	9	JCR-VIS	AA	0.01
Sindh Bank Limited	5	-	5	-	10	JCR-VIS	A+	0.01
Soneri Bank Limited	-	-	22,184	-	22,184	PACRA	AA-	14.03
JS Bank Limited	-	-	19,564	-	19,564	PACRA	AA-	12.38
	6,623	7,952	64,444	79,052	158,071			100.00
Dividend and profit receivable	399	262	271	306	1,238			
Security deposits	2,600	100	100	11,498	14,298			

As at June 30, 2019							
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Rating agency	Published rating	
(Rupees in '000)							
Term Finance Certificates / Sukuk							
Name of the investee company							
Term Finance Certificates							
Bank AL Habib Limited (5th issue)	-	4,326	-	-	4,326	PACRA	AA
Sukuk							
Fatima Fertilizer Company Limited	-	249	-	-	249	PACRA	AA-
Dawood Hercules Corporation Ltd	-	2,196	-	-	2,196	PACRA	AA

As at June 30, 2018								
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Rating agency	Published rating	Percentage of total bank balances	
								%
Bank balances								
(Rupees in '000)								
Name of the bank								
Habib Bank Limited	73	40	77	37	227	JCR-VIS	AAA	0.20
United Bank Limited	2,277	-	1,008	5	3,290	JCR-VIS	AAA	2.83
Bank AL Habib Limited	6,757	9,585	18,551	76,336	111,229	PACRA	AA+	95.84
Bank Alfalah Limited	3	5	3	3	14	PACRA	AA+	0.01
Allied Bank Limited	-	4	-	4	8	PACRA	AA+	0.01
Habib Metropolitan Bank	-	5	-	4	9	PACRA	AA+	0.01
MCB Bank Limited	2	105	1,111	41	1,259	PACRA	AAA	1.08
Dubai Islamic Bank Pakistan Limited	4	-	4	-	8	JCR-VIS	AA-	0.01
Sindh Bank Limited	5	-	5	-	10	JCR-VIS	AA	0.01
	9,121	9,744	20,759	76,430	116,054			100.00
Dividend and profit receivable	242	149	4	-	395			
Security deposits	2,600	100	-	12,032	14,732			

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As at June 30, 2018							
Term Finance Certificates / Sukuk Name of the investee company	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Rating agency	Published rating
(Rupees in '000)							
Term Finance Certificates Bank AL Habib Limited (5th issue)	-	4,404	-	-	4,404	PACRA	AA
Sukuk Fatima Fertilizer Company Limited	-	353	-	-	353	PACRA	AA-
Dawood Hercules Corporation Ltd	-	2,200	-	-	2,200	PACRA	AA

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse creditworthy counterparties thereby mitigating any significant concentrations of credit risk.

20.3 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.

The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

As at June 30, 2019																2019
Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				Commodities Sub-Fund				Total
Upto three months	More than three months and upto one year	More than one year	Total	Upto three months	More than three months and upto one year	More than one year	Total	Upto three months	More than three months and upto one year	More than one year	Total	Upto three months	More than three months and upto one year	More than one year	Total	
(Rupees in 000)																
Financial Liabilities (excluding participants' funds)																
Payable to National Investment																
Trust Limited - Pension Fund Limited																
2,731	-	-	2,731	227	-	-	227	126	-	-	126	114	-	-	114	3,198
Payable to Central Depository																
Company of Pakistan Limited - Trustee																
9	-	-	9	12	-	-	12	14	-	-	14	12	-	-	12	47
Accrued expenses and other liabilities																
120	-	-	120	51	-	-	51	51	-	-	51	49	-	-	49	271
2,860	-	-	2,860	290	-	-	290	191	-	-	191	175	-	-	175	3,516
Participants' funds																
71,126	-	-	71,126	99,824	-	-	99,824	113,248	-	-	113,248	95,986	-	-	95,986	380,184
(Rupees in 000)																
As at June 30, 2018																
Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				Commodities Sub-Fund				Total
Upto three months	More than three months and upto one year	More than one year	Total	Upto three months	More than three months and upto one year	More than one year	Total	Upto three months	More than three months and upto one year	More than one year	Total	Upto three months	More than three months and upto one year	More than one year	Total	
(Rupees in 000)																
Financial Liabilities (excluding participants' funds)																
Payable to National Investment																
Trust Limited - Pension Fund Limited																
2,678	-	61	2,739	163	-	61	224	65	-	61	126	56	-	61	117	3,206
Payable to Central Depository																
Company of Pakistan Limited - Trustee																
11	-	-	11	11	-	-	11	12	-	-	12	11	-	-	11	45
Financial Liability at fair value through profit or loss																
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,526	2,526
Accrued expenses and other liabilities																
110	-	-	110	42	-	-	42	45	-	-	45	64	-	-	64	261
2,799	-	61	2,860	216	-	61	277	122	-	61	183	131	2,526	61	2,718	6,038
Participants' funds																
85,428	-	-	85,428	90,946	-	-	90,946	99,329	-	-	99,329	85,274	-	-	85,274	360,977

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The above mentioned financial liabilities do not carry any mark-up.

Units of the Fund are redeemable on demand at the participants' option. However, participants typically retain them from medium to long term.

21 PARTICIPANTS' FUNDS RISK MANAGEMENT

The participants' fund is represented by redeemable units. These units are entitled to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date.

The Fund has no restrictions on the subscription and redemption of units. There is no specific capital requirement which is applicable to the Fund.

The Fund's objectives when managing participants' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to participants and to maintain a strong base of assets under management.

In accordance with the risk management policies stated in note 20, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the participants of the Fund have invested with a long term objective, the possibility of a significant redemption pressure is limited, such liquidity being augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments where necessary.

All units, including the core units, and fractions thereof represent an undivided share in the pertinent sub-funds of the fund and rank parri passu as their rights in the net assets and earning of the sub-funds are not tradeable or transferable. Each participant has a beneficial interest in the sub-fund proportionate to the units held by such participant in such sub-fund.

22 Fair value of financial instruments

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price).

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 financial liabilities is considered not significantly different from book value.

The following table shows financial instruments recognized at fair value, analyzed between those whose fair value is based on:

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

Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

As at June 30, 2019 and June 30, 2018, the Fund held the following instruments measured at fair values:

Total	June 30, 2019											
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Commodity Sub-Fund		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	(Rupees'000)											
Financial assets classified as												
Fair value through OCI'												
Listed equity securities	64,720	64,720	-	-	-	-	-	-	-	-	-	-
Government Securities - Treasury Bills	127,961	-	-	-	-	83,667	-	44,294	-	-	-	-
Listed Sukuks	2,445	-	-	-	-	2,445	-	-	-	-	-	-
Debt Securities - Term Finance Certificates / Sukuks	4,326	-	-	4,326	-	-	-	-	-	-	-	-
Commercial Paper	6,969	-	-	-	-	1,991	-	-	4,978	-	-	-
	206,421	64,720	-	-	4,326	86,112	1,991	-	44,294	4,978	-	-

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	June 30, 2018											
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Commodity Sub-Fund		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Total	(Rupees'000)											
Financial assets classified as available-for-sale												
Listed equity securities	76,628	76,628	-	-	-	-	-	-	-	-	-	-
Government Securities - Treasury Bills	153,950	-	-	-	74,738	-	-	79,212	-	-	-	-
Listed Sukuk	2,553	-	-	-	2,553	-	-	-	-	-	-	-
Debt Securities - Term Finance Certificates / Sukuks	4,404	-	-	4,404	-	-	-	-	-	-	-	-
	<u>237,535</u>	<u>76,628</u>	<u>-</u>	<u>-</u>	<u>4,404</u>	<u>77,291</u>	<u>-</u>	<u>79,212</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

During the year ended June 30, 2019, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

22.1 The Fund has not disclosed the fair values for other financial assets and financial liabilities, as these are either short term in nature or reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

23 PERFORMANCE TABLE

23.1 Net assets value and net assists per unit

	2019				2018			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund
Net assets value (Rupees in '000)	<u>71,126</u>	<u>99,824</u>	<u>113,248</u>	<u>95,986</u>	85,428	90,946	99,329	85,274
Net assets value per unit (Rupees)	<u>8.2023</u>	<u>12.3980</u>	<u>12.3557</u>	<u>12.7964</u>	10.1247	11.4180	11.3787	11.3682

23.2 Highest and lowest issue price of units during the year

	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Commodities Sub-Fund	
	Lowest issue price	Highest issue price	Lowest issue price	Highest issue price	Lowest issue price	Highest issue price	Lowest issue price	Highest issue price
	(Rupees)							
For the year June 30, 2019	<u>7.9861</u>	<u>10.5314</u>	<u>11.05541</u>	<u>12.3910</u>	<u>11.3846</u>	<u>12.3530</u>	<u>10.7226</u>	<u>12.8896</u>
For the year June 30, 2018	<u>9.6249</u>	<u>12.0742</u>	<u>10.1857</u>	<u>11.4174</u>	<u>10.8494</u>	<u>11.3772</u>	<u>10.6964</u>	<u>12.3329</u>

24 GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

25 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Pension Fund Manager in their meeting held on September 25, 2019.

For National Investment Trust Limited
(Pension Fund Manager)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director